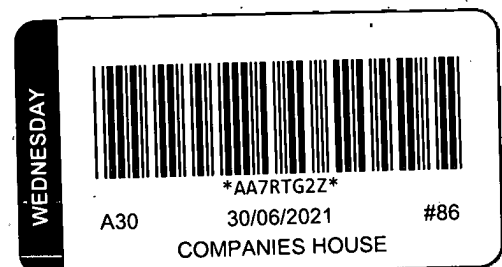


Tony's Choclonely Limited

**Directors' report and financial statements
for the year ended 30 September 2020**



Tony's Chocolonely Limited

Company Information

Directors

H J Beltman
B P Greensmith
J H A Huij

Company secretary

Broadway Secretaries Limited

Registered number

11565535

Registered office

One
Bartholomew Close
London
United Kingdom
EC1A 7BL

Tony's Choclonely Limited

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Tony's Chocolonely Limited

Directors' report for the year ended 30 September 2020

The directors present their report and the unaudited financial statements of the company for the year ended 30 September 2020.

Principal activity

The principal activity of the company during the financial year is an impact company that makes chocolate, changing the industry from within. At Tony's Chocolonely our mission is: together we'll make chocolate 100% slave-free. Not just our chocolate, all chocolate worldwide. We make impact by selling chocolate.

Results and dividends

The profit for the year, after taxation, amounted to £4,028 (period ended 30 September 2019: £91,256).

The directors have not recommended the payment of a dividend for the year ended 30 September 2020 (period ended 30 September 2019: Nil).

Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business and the company has adequate resources to continue in operational existence for the foreseeable future. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

Brexit

The UK left the EU on 31 January 2020 and the transition period ended on 31 December 2020, in which time the UK and EU negotiated additional arrangements and concluded the "Trade and Cooperation Agreement". The directors have considered the impact on the company regarding the agreed exit terms within the agreement and wider regulatory and legal implications within these statutory financial statements and will continue to do so.

Directors

The directors who served during the year and up to the date of signing the financial statements, unless otherwise indicated, are given below:

H J Beltman
B P Greensmith
D J Terhorst (resigned 28 February 2021)
W Wessels (resigned 1 January 2020)
J H A Huij (appointed 1 May 2021)

Tony's Chocolonely Limited

Directors' report (continued) for the year ended 30 September 2020

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' report 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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' Section 1A 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;
- state whether applicable UK Accounting Standards, comprising the FRS102 1A, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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 to 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.

Audit exemption

The directors consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006. Under the provisions of section 479C of the Companies Act 2006, Tony's Factory B.V., the immediate parent company, has given a statutory guarantee of all the outstanding liabilities to which the company is subject at 30 September 2020.

Small company exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemption provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

This report was approved by the board and signed on its behalf by:



H J Beltman
Director

Tony's Choclonely Limited

Profit and loss account for the year ended 30 September 2020

	Year ended 30 September 2020 £	Period ended 30 September 2019 £
Turnover	7,694,549	2,853,553
Cost of sales	(5,272,123)	(1,525,427)
Gross profit	2,422,426	1,328,126
Administrative expenses	(2,375,300)	(1,210,997)
Operating profit	47,126	117,129
Interest payable and similar expenses	(41,329)	(4,654)
Profit before tax	5,797	112,475
Tax on profit	(1,769)	(21,219)
Profit for the financial year/period	4,028	91,256

There were no recognised gains and losses for 2020 or 2019 other than those included in the profit and loss account. Therefore no separate statement of total comprehensive income has been presented.

All amounts relate to continuing operations.

The notes on pages 6 to 13 form part of these financial statements.

Tony's Choclonely Limited

Registered number:11565535

Balance sheet as at 30 September 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	4		18,651		24,136
Tangible assets	5		24,472		7,526
			<u>43,123</u>		<u>31,662</u>
Current assets					
Stocks		2,093,861		226,019	
Debtors	6	2,207,898		1,183,649	
Cash at bank and in hand		65,606		92,083	
		<u>4,367,365</u>		<u>1,501,751</u>	
Creditors: amounts falling due within one year	7	(4,315,203)		(1,440,877)	
Net current assets			<u>52,162</u>		<u>60,874</u>
Provisions for liabilities					
Deferred tax		-		(1,279)	
			<u>-</u>		<u>(1,279)</u>
Net assets			<u><u>95,285</u></u>		<u><u>91,257</u></u>
Capital and reserves					
Called up share capital	8		1		1
Retained earnings			95,284		91,256
Total shareholders' equity			<u><u>95,285</u></u>		<u><u>91,257</u></u>

For the year ended 30 September 2020 the company was entitled to exemption under section 479A of the Companies Act 2006. No members have required the company to obtain an audit of its accounts 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.

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



H J Beltman
Director

The notes on pages 6 to 13 form part of these financial statements.

Tony's Choclonely Limited

Statement of changes in equity for the year ended 30 September 2020

	Called up share capital	Retained earnings	Total shareholders' equity
	£	£	£
At 1 October 2019	1	91,256	91,257
Profit for the financial year	-	4,028	4,028
At 30 September 2020	1	95,284	95,285

The notes on pages 6 to 13 form part of these financial statements.

Statement of changes in equity for the period ended 30 September 2019

	Called up share capital	Retained earnings	Total shareholders' equity
	£	£	£
At 1 September 2018	-	-	-
Profit for the financial period	-	91,256	91,256
Shares issued during the period	1	-	1
At 30 September 2019	1	91,256	91,257

The notes on pages 6 to 13 form part of these financial statements.

Tony's Chocolonely Limited

Notes to the financial statements for the year ended 30 September 2020

1. General information

Tony's Chocolonely Limited is a private company, limited by shares, incorporated and domiciled in the United Kingdom, registered number 11565535. The registered office is One, Bartholomew Close, London, United Kingdom, EC1A 7BL.

The principal activity of the company during the financial year is an impact company that makes chocolate, changing the industry from within. At Tony's Chocolonely our mission is: together we'll make chocolate 100% slave-free. Not just our chocolate, all chocolate worldwide. We make impact by selling chocolate.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. No critical judgements have been applied to these financial statements.

The following principal accounting policies have been applied:

2.2 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

2.3 Going concern

The financial statements have been prepared on the going concern basis. The directors have assessed the effects of COVID-19 on the company's ability to meet its liabilities as they fall due, and determined that based on recent trading of the company and revised projections, the pandemic is not expected to have a significant impact on the company's business and the company has adequate resources to continue in operational existence for the foreseeable future. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of COVID-19.

Tony's Chocolonely Limited

Notes to the financial statements for the year ended 30 September 2020

2. Accounting policies (continued)

2.4 Turnover

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.

2.5 Foreign currencies

(i) Functional and presentational currency

The company's functional and presentational currency is Pound sterling.

(ii) Transactions and balances

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

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

2.6 Interest payable and similar charges

Interest payable is charged to the profit and loss account 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 instrument.

Tony's Chocolonely Limited

Notes to the financial statements for the year ended 30 September 2020

2. Accounting policies (continued)

2.7 Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

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.

2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Tony's Choclonely Limited

Notes to the financial statements for the year ended 30 September 2020

2. Accounting policies (continued)

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 basis:

Leasehold improvements	- 20% straight line
Office equipment	- 20% 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 on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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.

Tony's Choclonely Limited

Notes to the financial statements for the year ended 30 September 2020

2. Accounting policies (continued)

2.11 Financial instruments

(i) Financial assets

The company's financial assets comprise trade debtors and other debtors which are shown in note 6, and cash which is shown in the balance sheet. Management determines the classification of its financial assets at initial recognition.

These financial assets are recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Debtors are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets.

Cash at bank and in hand comprise deposits of cash held in bank accounts and in hand.

(ii) Financial liabilities

The company's financial liabilities comprise trade creditors, amounts owed to group undertakings, and other creditors which are shown in note 7, and in the balance sheet. Management determines the classification of its financial liabilities at initial recognition.

The company's financial liabilities are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(iii) Offsetting

Financial assets and liabilities are offset and 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.

2.12 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

2.13 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Tony's Choclonely Limited

Notes to the financial statements for the year ended 30 September 2020

3. Employees

The average monthly number of employees, including directors, during the year was 8 (2019: 4).

4. Intangible assets

	Website £	Other intangible assets £	Total £
Cost			
At 1 October 2019 and 30 September 2020	5,156	22,264	27,420
Amortisation			
At 1 October 2019	687	2,597	3,284
Charge for the year	1,032	4,453	5,485
At 30 September 2020	1,719	7,050	8,769
Net book value			
At 30 September 2020	3,437	15,214	18,651
At 30 September 2019	4,469	19,667	24,136

Tony's Choclonely Limited

Notes to the financial statements for the year ended 30 September 2020

5. Tangible fixed assets

	Leasehold improvements £	Office equipment £	Total £
Cost or valuation			
At 1 October 2019	-	7,714	7,714
Additions	19,900	1,125	21,025
At 30 September 2020	19,900	8,839	28,739
Accumulated depreciation			
At 1 October 2019	-	188	188
Charge for the year	2,322	1,757	4,079
At 30 September 2020	2,322	1,945	4,267
Net book value			
At 30 September 2020	17,578	6,894	24,472
At 30 September 2019	-	7,526	7,526

6. Debtors

	2020 £	2019 £
Trade debtors	2,112,931	1,174,628
Prepayments and accrued income	25,369	9,021
Deferred taxation	69,598	-
	<u>2,207,898</u>	<u>1,183,649</u>

Tony's Choclonely Limited

Notes to the financial statements for the year ended 30 September 2020

7. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	41,008	17,974
Amounts owed to group undertakings	3,276,243	1,070,733
Corporation tax	64,051	19,940
Other taxation and social security	461,022	224,752
Accruals and deferred income	472,879	107,478
	<u>4,315,203</u>	<u>1,440,877</u>

Amounts owed to group are unsecured, interest free and repayable on demand.

8. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1 Ordinary share of £1 (2019:1)	<u>1</u>	<u>1</u>

9. Related party transactions

The company has not identified any transactions which are required to be disclosed under the terms of FRS 102 "Related party transactions".

10. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking and the smallest and largest group of undertakings for which group financial statements have been drawn up is that headed by Tony's Factory B.V., a company incorporated in the Netherlands. The group financial statements are available from corporate headquarters at Polonceaukade 20, 1014 DA in Amsterdam, The Netherlands.