

**COMPANY REGISTRATION NUMBER: 04855200**

**MASALA BAZAAR LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2018**



# MASALA BAZAAR LIMITED

## BALANCE SHEET

31 December 2018

|   | Note | 2018<br>£          | 2017<br>£          |
|---|------|--------------------|--------------------|
| <b>FIXED ASSETS</b>                                   |      |                    |                    |
| Tangible assets                                       | 5    | 473,873            | 516,287            |
| <b>CURRENT ASSETS</b>                                 |      |                    |                    |
| Stocks  |      | 470,528            | 458,189            |
| Debtors   | 6    | 246,333            | 334,100            |
| Cash at bank and in hand                              |      | 126,498            | 129,120            |
|   |      | <u>843,359</u>     | <u>921,409</u>     |
| <b>CREDITORS: amounts falling due within one year</b> | 7    | <u>(3,877,245)</u> | <u>(3,480,822)</u> |
| <b>NET CURRENT LIABILITIES</b>                        |      | <u>(3,033,886)</u> | <u>(2,559,413)</u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>          |      | <u>(2,560,013)</u> | <u>(2,043,126)</u> |
| <b>NET LIABILITIES</b>                                |      | <u>(2,560,013)</u> | <u>(2,043,126)</u> |
| <b>CAPITAL AND RESERVES</b>                           |      |                    |                    |
| Called up share capital                               |      | 900                | 900                |
| Profit and loss account                               |      | <u>(2,560,913)</u> | <u>(2,044,026)</u> |
| <b>SHAREHOLDERS FUNDS</b>                             |      | <u>(2,560,013)</u> | <u>(2,043,126)</u> |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the profit and loss account has not been delivered.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 13-09-19, and are signed on behalf of the board by:



**Mr S Hussain**  
Director

Company registration number: 04855200

The notes on pages 2 to 7 form part of these financial statements.

# **MASALA BAZAAR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**Year ended 31 December 2018**

### **1. GENERAL INFORMATION**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is EFG Food Technology Park, Llantarnam Park, Cwmbran, NP44 3GA.

### **2. STATEMENT OF COMPLIANCE**

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

### **3. ACCOUNTING POLICIES**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

#### **Going concern**

The accounts have been prepared on a going concern basis which assumes that the company will continue to trade for the foreseeable future. The company has net liabilities of £2,560,013. The director has prepared forecasts and is confident that these forecasts are realistic and are achievable. This has been financed by group companies and the company is currently able to trade due to support from these group companies. Were this support not available then the company would not be able to meet its financial obligations. These group companies have confirmed that they will continue to support the company for the foreseeable future. On this basis the director believes it is appropriate for the financial statement to be produced on a going concern basis.

#### **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of EFG Food & Tech Holdings Limited which can be obtained from [www.gov.uk/government/organisations/companies-house](http://www.gov.uk/government/organisations/companies-house). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

# MASALA BAZAAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2018

### 3. ACCOUNTING POLICIES *(continued)*

#### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                         |                        |
|-------------------------|------------------------|
| Long Leasehold Property | - 5% straight line     |
| Plant and machinery     | - 15% straight line    |
| Fixtures and fittings   | - 15% straight line    |
| Equipment               | - 33% reducing balance |

# **MASALA BAZAAR LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

**Year ended 31 December 2018**

### **3. ACCOUNTING POLICIES** *(continued)*

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

#### **Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

# MASALA BAZAAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2018

### 3. ACCOUNTING POLICIES *(continued)*

#### Defined contribution plans *(continued)*

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

### 4. EMPLOYEE NUMBERS

The average number of persons employed by the company during the year amounted to 62 (2017: 56).

### 5. TANGIBLE ASSETS

|                            | Long<br>leasehold<br>property<br>£ | Plant and<br>machinery<br>£ | Fixtures<br>and fittings<br>£ | Equipment<br>£ | Total<br>£       |
|----------------------------|------------------------------------|-----------------------------|-------------------------------|----------------|------------------|
| <b>Cost</b>                |                                    |                             |                               |                |                  |
| At 1 January 2018          | 861,713                            | 38,481                      | 572,927                       | 84,177         | 1,557,298        |
| Additions                  | –                                  | 1,225                       | 18,165                        | –              | 19,390           |
| <b>At 31 December 2018</b> | <u>861,713</u>                     | <u>39,706</u>               | <u>591,092</u>                | <u>84,177</u>  | <u>1,576,688</u> |
| <b>Depreciation</b>        |                                    |                             |                               |                |                  |
| At 1 January 2018          | 407,253                            | 35,287                      | 526,072                       | 72,399         | 1,041,011        |
| Charge for the year        | 43,086                             | 3,224                       | 12,148                        | 3,346          | 61,804           |
| <b>At 31 December 2018</b> | <u>450,339</u>                     | <u>38,511</u>               | <u>538,220</u>                | <u>75,745</u>  | <u>1,102,815</u> |
| <b>Carrying amount</b>     |                                    |                             |                               |                |                  |
| <b>At 31 December 2018</b> | <u>411,374</u>                     | <u>1,195</u>                | <u>52,872</u>                 | <u>8,432</u>   | <u>473,873</u>   |
| At 31 December 2017        | <u>454,460</u>                     | <u>3,194</u>                | <u>46,855</u>                 | <u>11,778</u>  | <u>516,287</u>   |

### 6. DEBTORS

|   | 2018<br>£      | 2017<br>£      |
|---|----------------|----------------|
| Trade debtors   | –              | 30,449         |
| Amounts owed by group undertakings and undertakings in which the company has a participating interest | 1,066          | –              |
| Other debtors   | 245,267        | 303,651        |
|   | <u>246,333</u> | <u>334,100</u> |

# MASALA BAZAAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

Year ended 31 December 2018

### 7. CREDITORS: amounts falling due within one year

|   | 2018<br>£        | 2017<br>£        |
|---|------------------|------------------|
| Bank loans and overdrafts   | 34,044           | –                |
| Trade creditors   | 594,310          | 3,119,541        |
| Amounts owed to group undertakings and undertakings in which the company has a participating interest | 3,191,517        | 254,621          |
| Social security and other taxes   | 7,001            | 29,641           |
| Other creditors   | 50,373           | 77,019           |
|   | <u>3,877,245</u> | <u>3,480,822</u> |

### 8. OPERATING LEASES

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | 2018<br>£        | 2017<br>£        |
|--|------------------|------------------|
| Not later than 1 year                        | 224,402          | 159,848          |
| Later than 1 year and not later than 5 years | 686,732          | 572,727          |
| Later than 5 years                           | 565,881          | 679,072          |
|  | <u>1,477,015</u> | <u>1,411,647</u> |

### 9. EVENTS AFTER THE END OF THE REPORTING PERIOD

The directors have sold the trade and assets of the company after the year end.

### 10. SUMMARY AUDIT OPINION

#### Conclusions relating to going concern

We draw attention to note 3 (going concern) in the financial statements, which indicates that the company is operating with the continued support of group companies. As stated in note 3 these conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The auditor's report for the year dated 18/09/2019 was unqualified.

The senior statutory auditor was Ataf Salim, for and on behalf of Kilsby & Williams LLP.

# MASALA BAZAAR LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

**Year ended 31 December 2018**

### **11. RELATED PARTY TRANSACTIONS**

Masala Bazaar is a non wholly owned subsidiary of the EFG Food and Tech Holdings Limited group. The following transactions were made with group companies.

**Sales:**

|                          | <b>2018</b> | <b>2017</b> |
|--------------------------|-------------|-------------|
|                          | <b>£</b>    | <b>£</b>    |
| Euro Foods (UK) Limited  | 228         | –           |
| Euro Foods Group Limited | 113,306     | 114,389     |

**Purchases:**

|                            | <b>2018</b> | <b>2017</b> |
|----------------------------|-------------|-------------|
|                            | <b>£</b>    | <b>£</b>    |
| Euro Foods (UK) Limited    | 6,907       | 10,088      |
| Euro Foods Group Limited   | 3,692,124   | 3,544,748   |
| S & B Developments Limited | 36,000      | –           |
| KUKD.com                   | 4,200       | –           |

S & B Developments Limited is a non-group company (related by common control).

**The following balances are due from/(to) related parties:**

|                            | <b>2018</b> | <b>2017</b> |
|----------------------------|-------------|-------------|
|                            | <b>£</b>    | <b>£</b>    |
| Euro Foods (UK) Limited    | 229         | (1,633)     |
| Euro Foods Group Limited   | (3,191,517) | (3,011,905) |
| S & B Developments Limited | 50,108      | 50,108      |
| KUKD.com Limited           | 838         | –           |

### **12. CONTROLLING PARTY**

The ultimate parent company and parent undertaking of the largest and smallest group, which includes the company and for which group accounts are prepared, is EFG Food and Tech Holdings Limited. Copies of the group accounts can be obtained from Companies House, Crown Way, Cardiff, CF4 3UZ.