

## **Blue Bell Foods Limited**

Directors' Report and Financial Statements

Period Ended

25 June 2023

Company Number 07537614



# Blue Bell Foods Limited

## Company Information

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<b>Directors</b>	A Janmohamed S Janmohamed
<b>Registered number</b>	07537614
<b>Registered office</b>	64 Wolsey Road Northwood Middlesex HA6 2EH
<b>Independent auditor</b>	BDO LLP First Floor, Franciscan House 51 Princes Street Ipswich Suffolk IP1 1UR

# Blue Bell Foods Limited

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# **Blue Bell Foods Limited**

## **Directors' Report For the Period Ended 25 June 2023**

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The directors present their report together with the financial statements for the period ended 25 June 2023.

The unaudited comparative information is for the period from the 28 June 2021 to 26 June 2022.

### **Principal activity**

The principal activity during the period continued to be that of a Taco Bell franchisee.

### **Results and dividends**

The profit for the period, after taxation, amounted to £115,386 (period ended 26 June 2022 - £215,557).

The directors do not propose a dividend for the period (period ended 26 June 2022 - £Nil).

The directors have chosen to disclose the adjusted unaudited EBITDA on page 8. This is because, in the directors' view, EBITDA reflects the underlying operating cash generation, by eliminating depreciation, amortisation, impairment and fixed asset gain/loss on disposal, and the directors consider EBITDA to be a useful measure of the company's operating performance. Since this is a non-UK GAAP measure, it may not be directly comparable to the EBITDA of other companies, as they may define it differently.

### **Directors**

The directors who served during the period were:

A Janmohamed  
S Janmohamed

### **Financial instruments**

The company does not actively use complex financial instruments as part of its financial risk management. It is not exposed to the usual credit risk, cash flow and liquidity risk associated with selling on credit. The company is financed with appropriate long-term and short-term finance to match the needs of the business.

### **Going concern**

In July 2022 Blue Bell Foods Limited became part of the Supernova Group following a restructure. The group debt was also refinanced following this change in ownership. The new banking facilities of the wider Supernova Group provide additional funding for the group to expand not only organically but by expansion through acquisition of other businesses in the fast food industry.

The directors have reviewed the trading and cash flow forecasts for the Supernova Group including Blue Bell Foods Limited, as a group, for a period of at least 12 months from the date the financial statements have been issued. The subsidiary undertakings are forecast to continue generating positive EBITDA for the foreseeable future. In addition to this the subsidiary undertakings have access to the wider Supernova Group loan facility to help fund capital expenditure and their liabilities as they fall due. The Supernova Group loan facility is secured by way of a fixed charge over all debtors, chattels and goodwill of the group. The cash flow forecasts indicate sufficient cash resource and availability of loan facilities to continue to make capital and interest payments when due and continue to comply with the ongoing required covenants. In reviewing the forecasts, the directors have considered all reasonably foreseeable scenarios, including potential downside scenarios such as unforeseen inflationary pressures and further increases in base rates of interest. In such scenarios there is sufficient availability of finance that could be drawn down from the Supernova Group loan facility.

Having assessed the principal risks and having regard for all reasonably foreseeable scenarios, the Directors conclude that the company is able to continue as a going concern for a period of at least 12 months from the date these financial statements have been issued and it is appropriate to prepare the financial statements on a going concern basis.

# Blue Bell Foods Limited

## Directors' Report (continued) For the Period Ended 25 June 2023

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### Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

### Small companies note

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

This report was approved by the board on 01 November 2023

and signed on its behalf.



**A Janmohamed**  
Director

# **Blue Bell Foods Limited**

## **Directors' Responsibilities Statement For the Period Ended 25 June 2023**

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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 period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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; 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 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.

# Blue Bell Foods Limited

## Independent Auditor's Report to the Members of Blue Bell Foods Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 25 June 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Blue Bell Foods Limited ("the company") for the 52 week period ended 25 June 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

### Other matter

The corresponding figures are unaudited.

# **Blue Bell Foods Limited**

## **Independent Auditor's Report to the Members of Blue Bell Foods Limited (continued)**

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### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the directors report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a strategic report.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.



# Blue Bell Foods Limited

## Independent Auditor's Report to the Members of Blue Bell Foods Limited (continued)

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### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

#### *Non-compliance with laws and regulations*

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with management and those charged with governance; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be United Kingdom Accounting Standards (Financial Reporting Standard 102), applicable law (the Companies Act 2006) and UK tax legislation.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be the health and safety legislation, employment law and general food law.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation;
- Review of legal expenditure accounts to understand the nature of expenditure incurred; and
- Review of non financial KPIs, including food hygiene ratings.

#### *Fraud*

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
  - Detecting and responding to the risks of fraud; and
  - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

# Blue Bell Foods Limited

## Independent Auditor's Report to the Members of Blue Bell Foods Limited (continued)

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### Auditor's responsibilities for the audit of the financial statements (continued)

Based on our risk assessment, we considered the areas most susceptible to fraud to be improper revenue recognition, Management of controls, Fraudulent employee records and Inappropriate capitalisation of fixed assets.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias;
- Testing a sample of new joiners to confirm they are genuine;
- Confirmation that revenue recognition policy is in line with the requirements of the accounting standards;
- A review of manual journals to revenue; and
- Testing a sample of additions to fixed assets.

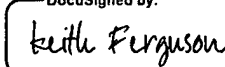
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
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**Keith Ferguson** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Ipswich, UK

Date: 02 November 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Blue Bell Foods Limited

## Statement of Comprehensive Income For the Period Ended 25 June 2023

		Period ended 25 June 2023 £	Unaudited Period ended 26 June 2022 £
	Note		
Turnover		1,526,729	1,370,601
Cost of sales		(1,169,838)	(985,771)
<b>Gross profit</b>		<b>356,891</b>	<b>384,830</b>
Administrative expenses		(241,865)	(109,414)
<b>Operating profit</b>	4	<b>115,026</b>	<b>275,416</b>
Interest payable and similar charges	6	-	(5,481)
<b>Profit before tax</b>		<b>115,026</b>	<b>269,935</b>
Tax on profit	7	360	(54,378)
<b>Profit for the period</b>		<b>115,386</b>	<b>215,557</b>

There was no other comprehensive income for 2023 (period ended 26 June 2022 - £Nil).

The notes on pages 11 to 21 form part of these financial statements.

### Non-GAAP measure:

Earnings before interest, taxation, depreciation, amortisation, impairment and fixed asset gain/loss on disposal ("EBITDA") for the period ended 25 June 2023.

	Period ended 25 June 2023 £	Unaudited Period ended 26 June 2022 £
Operating profit	115,026	275,416
Depreciation expense	20,004	26,151
Amortisation expense	2,673	2,022
<b>EBITDA</b>	<b>137,703</b>	<b>303,589</b>

**Blue Bell Foods Limited**

Registered number: 07537614

**Statement of Financial Position  
As at 25 June 2023**

	Note	25 June 2023 £	25 June 2023 £	Unaudited 26 June 2022 £	Unaudited 26 June 2022 £
<b>Fixed assets</b>					
Intangible assets	8		22,159		18,255
Tangible fixed assets	9		3,256		13,801
			<u>25,415</u>		<u>32,056</u>
<b>Current assets</b>					
Stocks		10,415		8,145	
Debtors: amounts falling due within one year	10	732,247		231,908	
Cash at bank and in hand		232,984		106,322	
		<u>975,646</u>		<u>346,375</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	11	(698,677)		(191,433)	
<b>Net current assets</b>			<u>276,969</u>		<u>154,942</u>
<b>Total assets less current liabilities</b>			<u>302,384</u>		<u>186,998</u>
<b>Net assets</b>			<u>302,384</u>		<u>186,998</u>
<b>Capital and reserves</b>					
Called up share capital	12		1		1
Profit and loss account	13		302,383		186,997
<b>Total equity</b>			<u>302,384</u>		<u>186,998</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 01 November 2023.



**A Janmohamed**  
Director

The notes on pages 11 to 21 form part of these financial statements.

# Blue Bell Foods Limited

## Statement of Changes in Equity For the Period Ended 25 June 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 27 June 2022	1	186,997	186,998
<b>Comprehensive income for the period</b>			
Profit for the period	-	115,386	115,386
<b>Total comprehensive income for the period</b>	-	115,386	115,386
<b>At 25 June 2023</b>	<b>1</b>	<b>302,383</b>	<b>302,384</b>

## Statement of Changes in Equity For the Period Ended 26 June 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 28 June 2021	1	(28,560)	(28,559)
<b>Comprehensive income for the period</b>			
Profit for the period	-	215,557	215,557
<b>Total comprehensive income for the period</b>	-	215,557	215,557
<b>At 26 June 2022</b>	<b>1</b>	<b>186,997</b>	<b>186,998</b>

The notes on pages 11 to 21 form part of these financial statements.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

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### 1. General information

Blue Bell Foods Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activities are set out in the directors' report.

### 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 United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The company's functional and presentational currency is GBP. The level of rounding is to the nearest pound.

In the prior period the entity applied the audit exemption available in section 477 of the Companies Act 2006. Following the acquisition of the company by the wider Supernova Group, this audit exemption was not available in the current period.

The following principal accounting policies have been applied:

#### 2.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods supplied during the period, exclusive of Value Added Tax. The revenue is recognised on the date that Taco Bell orders are placed, which is in all cases also the date when the Taco Bell products are delivered to customers.

#### 2.3 Going concern

In July 2022 Blue Bell Foods Limited became part of the Supernova Group following a restructure. The group debt was also refinanced following this change in ownership. The new banking facilities of the wider Supernova Group provide additional funding for the group to expand not only organically but by expansion through acquisition of other businesses in the fast food industry.

The directors have reviewed the trading and cash flow forecasts for the Supernova Group including Blue Bell Foods Limited, as a group, for a period of at least 12 months from the date the financial statements have been issued. The subsidiary undertakings are forecast to continue generating positive EBITDA for the foreseeable future. In addition to this the subsidiary undertakings have access to the wider Supernova Group loan facility to help fund capital expenditure and their liabilities as they fall due. The Supernova Group loan facility is secured by way of a fixed charge over all debtors, chattels and goodwill of the group. The cash flow forecasts indicate sufficient cash resource and availability of loan facilities to continue to make capital and interest payments when due and continue to comply with the ongoing required covenants. In reviewing the forecasts, the directors have considered all reasonably foreseeable scenarios, including potential downside scenarios such as unforecasted inflationary pressures and further increases in base rates of interest. In such scenarios there is sufficient availability of finance that could be drawn down from the Supernova Group loan facility.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

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### 2. Accounting policies (continued)

#### 2.3 Going concern (continued)

Having assessed the principal risks and having regard for all reasonably foreseeable scenarios, the Directors conclude that the company is able to continue as a going concern for a period of at least 12 months from the date these financial statements have been issued and it is appropriate to prepare the financial statements on a going concern basis.

#### 2.4 Intangible assets and amortisation

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.

Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

The estimated useful lives range as follows:

Franchise licences	-	straight line over the period of the licence
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#### 2.5 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.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of comprehensive income during the period in which they are incurred.

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:

Fixtures, fittings & equipment	- 10% per annum
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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 the statement of comprehensive income.

#### 2.6 Stocks

Stocks are stated at the lower of cost and net realisable value.

# **Blue Bell Foods Limited**

## **Notes to the Financial Statements For the Period Ended 25 June 2023**

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### **2. Accounting policies (continued)**

#### **2.7 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.

#### **2.8 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.

#### **2.9 Operating leases: the company as lessee**

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

#### **2.10 Pensions**

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 payments obligations.

The contributions are recognised as an expense in the statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the statement of financial position. The assets of the plan are held separately from the company in independently administered funds.



# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

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### 2. Accounting policies (continued)

#### 2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the company either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

- Tangible fixed assets (see note 9)

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 4. Operating profit

The operating profit is stated after charging:

	Period ended 25 June 2023 £	Unaudited Period ended 26 June 2022 £
Depreciation of tangible fixed assets	20,004	26,151
Amortisation of intangible assets	2,673	2,022
Operating lease rentals	-	15,109
Defined contribution pension cost	3,280	3,766

### 5. Employees

The average monthly number of employees, including directors, during the period was 31 (period ended 26 June 2022 - 23).

During the period, no director received any emoluments (period ended 26 June 2022 - £Nil).

During the period, no director received any pension contributions from the company (period ended 26 June 2022 - £Nil).

### 6. Interest payable and similar charges

	Period ended 25 June 2023 £	Unaudited Period ended 26 June 2022 £
Other interest payable	-	5,481

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 7. Taxation

	Period ended 25 June 2023 £	Unaudited Period ended 26 June 2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	54,378
<b>Total current tax</b>	-	54,378
<b>Deferred tax</b>		
Origination and reversal of timing differences	(360)	-
<b>Total deferred tax</b>	(360)	-
<b>Tax on profit</b>	(360)	54,378

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 7. Taxation (continued)

#### Factors affecting tax credited for the period

The tax assessed for the period is lower than (period ended 26 June 2022 - higher than) the average rate of corporation tax in the UK of 20.42% for the period (period ended 26 June 2022 - 19%). The differences are explained below:

	Period ended 25 June 2023 £	Period ended 26 June 2022 £
Profit on ordinary activities before tax	115,026	269,935
Profit on ordinary activities multiplied by average rate of corporation tax in the UK of 20.42% (2022 - 19%)	23,488	51,288
Effects of:		
Fixed asset differences	(419)	-
Expenses not deductible for tax purposes	355	3,090
Group relief claimed	(26,123)	-
Remeasurement of deferred tax for changes in tax rates	(606)	-
Movement in deferred tax not recognised	2,945	-
<b>Total tax charge for the period</b>	<b>(360)</b>	<b>54,378</b>

#### Factors that may affect future tax charges

On 1 April 2023 the main rate of corporation tax increased to 25% from the previous rate of 19%. The tax rate applied of 20.42% represents a blended rate to account for the two rates which were in effect throughout the period.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 8. Intangible assets

	Franchise licences £
<b>Cost</b>	
At 27 June 2022	20,277
Additions	6,577
At 25 June 2023	<u>26,854</u>
<b>Amortisation</b>	
At 27 June 2022	2,022
Charge for the period	2,673
At 25 June 2023	<u>4,695</u>
<b>Net book value</b>	
At 25 June 2023	<u><u>22,159</u></u>
At 26 June 2022 (Unaudited)	<u><u>18,255</u></u>

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 9. Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost or valuation</b>	
At 27 June 2022	318,189
Additions	9,459
At 25 June 2023	<u>327,648</u>
<b>Depreciation</b>	
At 27 June 2022	304,388
Charge for the period	20,004
At 25 June 2023	<u>324,392</u>
<b>Net book value</b>	
At 25 June 2023	<u>3,256</u>
At 26 June 2022 (Unaudited)	<u>13,801</u>

### 10. Debtors: amounts falling due within one year

	25 June 2023 £	Unaudited 26 June 2022 £
Amounts owed by group undertakings	311,318	222,186
Prepayments and accrued income	420,569	9,722
Deferred taxation	360	-
	<u>732,247</u>	<u>231,908</u>

Amounts owed by group undertakings are interest free and repayable on demand.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

### 11. Creditors: amounts falling due within one year

	25 June 2023 £	Unaudited 26 June 2022 £
Trade creditors	56,364	55,448
Amounts owed to group undertakings	4,424	-
Corporation tax	-	54,378
Other creditors	401,651	7,727
Taxation and social security	194,580	50,660
Accruals and deferred income	41,658	23,220
	<u>698,677</u>	<u>191,433</u>

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

There is a group loan facility of £44,683,870 which is secured by a fixed and floating charge over all assets of the company.

### 12. Called up share capital

	25 June 2023 £	Unaudited 26 June 2022 £
<b>Allotted, called up and fully paid</b>		
1 Ordinary share of £1	<u>1</u>	<u>1</u>

### 13. Reserves

The company's capital and reserves are as follows:

#### **Called up share capital**

Called up share capital represents the nominal value of the shares issued.

#### **Profit and loss account**

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

# Blue Bell Foods Limited

## Notes to the Financial Statements For the Period Ended 25 June 2023

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### 14. Contingent liabilities

The company is part of a cross guarantee for the bank debts of its intermediate parent company, Supernova UK Bidco Limited. The maximum amount payable under this guarantee at 25 June 2023 is £44,683,870. These guarantees are secured by a fixed and floating charge over all assets of the company.

### 15. 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 amounted £3,280 (period ended 26 June 2022 - £3,766). Contributions totaling £1,724 (26 June 2022 - £933) were payable to the fund at the reporting date and are included in creditors.

### 16. Related party transactions

The company has taken advantage of the exemption available in section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

### 17. Ultimate parent and controlling party

The parent undertaking of the smallest and largest group for which consolidated accounts are prepared is Supernova UK Bidco Limited and Supernova UK Midco Limited, respectively. Consolidated accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

Following the restructure of the wider Soul Foods group from 21 July 2022, the ultimate parent company became Supernova Jersey Holdco Limited, a company based in Jersey. A Janmohamed remains the company's ultimate controlling party by virtue of his majority shareholding in Supernova Jersey Holdco Limited.