

**DELICIOUSLY ELLA LTD**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**DELICIOUSLY ELLA LTD**  
**REGISTERED NUMBER: 08519077**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	5	143,667	139,120
		<u>143,667</u>	<u>139,120</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	713,340	693,887
Cash at bank and in hand	7	142,969	44,713
		<u>856,309</u>	<u>738,600</u>
Creditors: amounts falling due within one year	8	(80,189)	(66,270)
<b>Net current assets</b>		<u>776,120</u>	<u>672,330</u>
<b>Total assets less current liabilities</b>		<u>919,787</u>	<u>811,450</u>
Creditors: amounts falling due after more than one year	9	(25,867)	(46,828)
<b>Provisions for liabilities</b>			
Deferred tax	11	(27,297)	(26,433)
		<u>(27,297)</u>	<u>(26,433)</u>
<b>Net assets</b>		<u><u>866,623</u></u>	<u><u>738,189</u></u>
<b>Capital and reserves</b>			
Called up share capital		1	1
Profit and loss account		866,622	738,188
		<u><u>866,623</u></u>	<u><u>738,189</u></u>

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2019**

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The director considers 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 director acknowledges her 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.

The Company has opted not to file the statement of income and retained earnings 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 by:

.....  
**Eleanor Laura Davan Mills**  
Director

Date: 17 April 2020

The notes on pages 3 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. General information**

Deliciously Ella Ltd. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**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 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**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 Operating leases: the Company as lessee**

Rentals paid under operating leases are charged to the Statement of Income and Retained Earnings 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**2.5 Interest income**

Interest income is recognised in the Statement of Income and Retained Earnings using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**2. Accounting policies (continued)**

**2.6 Finance costs**

Finance costs are charged to the Statement of Income and Retained Earnings 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.

**2.7 Pensions**

**Defined contribution pension plan**

The Company contributes to 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 the Statement of Income and Retained Earnings 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 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, 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 balance sheet 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 Balance Sheet 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 balance sheet date.

**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.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

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**2. Accounting policies (continued)**

**2.9 Tangible fixed assets (continued)**

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:

Improvements to leasehold	-	20%
Plant and machinery	-	20%
Office equipment	-	20%
Computer equipment	-	20%

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 Income and Retained Earnings.

**2.10 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.

**2.11 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.

**2.12 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.

**2.13 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Income and Retained Earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

2. Accounting policies (continued)

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.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2018 - 3).

4. Taxation

	2019 £	2018 £
<b>Corporation tax</b>		
Current tax on profits for the year	380	60
<b>Total current tax</b>	<u>380</u>	<u>60</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	864	7,885
<b>Total deferred tax</b>	<u>864</u>	<u>7,885</u>
<b>Taxation on profit on ordinary activities</b>	<u>1,244</u>	<u>7,945</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

4. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2018 - the same as) the standard rate of corporation tax in the UK of 19% (2018 - 19%) as set out below:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>239,678</u>	<u>143,933</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>45,539</b>	27,347
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>6,043</b>	9,507
Capital allowances for year in excess of depreciation	<b>(1,063)</b>	(82)
Adjustments to tax charge in respect of prior periods	-	60
Other timing differences leading to an increase (decrease) in taxation	<b>864</b>	7,885
Group relief	<b>(50,139)</b>	(36,772)
<b>Total tax charge for the year</b>	<u><b>1,244</b></u>	<u>7,945</u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

5. Tangible fixed assets

	Improve-ments to leasehold £	Plant and machinery £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>					
At 1 January 2019	43,906	95,000	22,231	7,902	169,039
Additions	-	30,761	219	5,374	36,354
Disposals	-	-	-	(860)	(860)
At 31 December 2019	43,906	125,761	22,450	12,416	204,533
<b>Depreciation</b>					
At 1 January 2019	13,904	-	9,780	6,235	29,919
Charge for the year on owned assets	8,781	17,335	3,738	1,524	31,378
Disposals	-	-	-	(431)	(431)
At 31 December 2019	22,685	17,335	13,518	7,328	60,866
<b>Net book value</b>					
At 31 December 2019	21,221	108,426	8,932	5,088	143,667

NOTES TO THE FINANCIAL STATEMENTS  
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5. Tangible fixed assets (continued)

The net book value of land and buildings may be further analysed as follows:

	2019 £
Improvements to leasehold	21,221
	<u>21,221</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

6. Debtors

	2019 £	2018 £
Trade debtors	53,199	39,671
Amounts owed by group undertakings	456,728	608,163
Other debtors	44,249	41,408
Prepayments and accrued income	159,164	4,645
	<u>713,340</u>	<u>693,887</u>

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	142,969	44,713
	<u>142,969</u>	<u>44,713</u>

NOTES TO THE FINANCIAL STATEMENTS  
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8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	19,948	30,973
Amounts owed to group undertakings	1	1
Other taxation and social security	-	5,351
Obligations under finance lease and hire purchase contracts	22,030	21,191
Other creditors	17	626
Accruals and deferred income	38,193	8,128
	<u>80,189</u>	<u>66,270</u>

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

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	25,867	46,828
	<u>25,867</u>	<u>46,828</u>

10. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2019 £	2018 £
Within one year	22,030	21,191
Between 1-5 years	25,867	46,740
	<u>47,897</u>	<u>67,931</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019

11. Deferred taxation

	2019 £	2018 £
At beginning of period	(26,433)	(18,548)
Charged to profit or loss	(864)	(7,885)
<b>At end of year</b>	<b>(27,297)</b>	<b>(26,433)</b>

The provision for deferred taxation is made up as follows:

	2019 £
Accelerated capital allowances	27,297
	<b>27,297</b>

12. Pension commitments

The group of companies within which the company is owned contribute to a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £5,769 (2018 - £3,715). Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the balance sheet date.

13. Related party transactions

During the period, total dividends of £120,000 (2018: £130,000) were paid to M&E Mills Holdings Limited, the parent of the company.

During the period under review, the company made net advances of £161,435 (2018: £93,962) to The Mae Deli Limited, a subsidiary of the company. At the period end, £456,728 (2018: £608,163) was outstanding and included in other debtors.

14. Controlling party

The ultimate controlling party throughout the period under review was E Mills and M Mills by virtue of their majority ownership of the share capital of M&E Mills Holdings Limited, the parent company which owns 100% of the share capital of Deliciously Ella Limited and The Mae Deli Limited.



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