

Mindful Chef Limited

**Annual Report and Financial Statements
Year Ended 31 December 2019**

Registration number: 09270945

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Mindful Chef Limited

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Mindful Chef Limited

Company Information

Directors	Leslie Butterfield Rory Gibbs Robert Grieg-Gran Myles Hopper Leon Hughes Giles Humphries Timothy Lee Mark Sorensen Anthony Stockil
Registered office	1 Enterprise Way London SW18 1FZ
Solicitors	Michelmores LLP Woodwater House Pynes Hill Exeter Devon EX3 5WR
Auditors	PKF Francis Clark Statutory Auditor Ground Floor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX

Mindful Chef Limited


Balance Sheet

31 December 2019

	Note	31 December 2019 £	31 December 2018 £
Fixed assets			
Intangible assets	4	602,397	-
Tangible assets	5	<u>226,439</u>	<u>33,405</u>
		<u>828,836</u>	<u>33,405</u>
Current assets			
Stocks	6	671,850	431,845
Debtors	7	682,448	4,797,960
Cash at bank and in hand		<u>1,207,895</u>	<u>305,641</u>
		2,562,193	5,535,446
Creditors: Amounts falling due within one year	8	<u>(1,595,768)</u>	<u>(926,249)</u>
Net current assets		<u>966,425</u>	<u>4,609,197</u>
Net assets		<u>1,795,261</u>	<u>4,642,602</u>
Capital and reserves			
Called up share capital		506	501
Share premium reserve		8,094,588	7,914,592
Other reserves		10,000	10,000
Profit and loss account		<u>(6,309,833)</u>	<u>(3,282,491)</u>
Shareholders' funds		<u>1,795,261</u>	<u>4,642,602</u>

These financial statements have been prepared and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 15/3/2020 and signed on its behalf by:


Timothy Lee
Director

Company Registration Number: 09270945

Mindful Chef Limited

Statement of Changes in Equity Year Ended 31 December 2019

	Share capital £	Share premium £	Other reserves £	Profit and loss account £	Total £
At 1 January 2019	501	7,914,592	10,000	(3,282,491)	4,642,602
Loss for the year	-	-	-	(3,027,342)	(3,027,342)
Total comprehensive income	-	-	-	(3,027,342)	(3,027,342)
New share capital subscribed	5	179,996	-	-	180,001
At 31 December 2019	506	8,094,588	10,000	(6,309,833)	1,795,261

	Share capital £	Share premium £	Other reserves £	Profit and loss account £	Total £
At 1 January 2018	386	3,282,766	10,000	(1,654,737)	1,638,415
Loss for the year	-	-	-	(1,627,754)	(1,627,754)
Total comprehensive income	-	-	-	(1,627,754)	(1,627,754)
New share capital subscribed	115	4,631,826	-	-	4,631,941
At 31 December 2018	501	7,914,592	10,000	(3,282,491)	4,642,602

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office and principle place of business is:

1 Enterprise Way
London
SW18 1FZ

These financial statements were authorised for issue by the Board on 20 March 2020.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', including Section 1A, and the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

Going concern

The financial statements have been prepared on a going concern basis. As at 31 December 2019, the company had net current assets of £966,425 (2018 - £4,609,197) and net assets of £1,795,261 (2018 - £4,642,602).

Detailed cash flow projections have been prepared by management and, having reviewed the funding requirements to grow the business further, the directors are in the process of a further fundraising round in addition to the investment completed in December 2018. This fundraising is being undertaken with a view to securing significant additional investment during 2020. Whilst the directors are satisfied with the progress made to date in respect of this investment round, and are confident of its outcome, they recognise that there can be no certainty as to its success or timing at the time of approval of these financial statements. In the event that the fundraise is not successful, the company is expected to continue to trade for the foreseeable future (being no less than 12 months from the date of approval of these financial statements) at a slower rate of growth.

While accepting that there can be no certainty, having considered these factors and made all necessary enquiries, the directors are satisfied that the company will continue to meet their liabilities as they fall due, and are satisfied that the company will continue to trade for the foreseeable future.

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

Key accounting judgements and sources of estimation uncertainty

In the application of the company's accounting policies management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key accounting judgement that has a significant impact on these financial statements is that of going concern, as described above. The key estimates that have a significant effect on the amounts recognised in the financial statements are as follows.

The carrying value of intangible assets requires estimation as to the useful economic life of the assets, in addition to the value of any impairment provision to be recognised against the asset. The carrying value of intangible assets is reviewed in light of the operational performance of the assets. The carrying amount is £602,397 (2018 - £Nil).

The carrying value of stocks held at year end requires estimation as to the recoverable value of stock held. Provision is made against amounts which are considered irrecoverable on a line-by-line basis. The carrying amount is £671,850 (2018 - £431,845).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts and after eliminating sales within the company. Gift vouchers are deferred and recognised upon delivery.

The company recognises revenue upon delivery to the customer. Revenue from the sale of gift vouchers is deferred and recognised on use of the voucher by the customer.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation 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 taxable income.

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

Intangible assets

Intangible assets are stated in the balance sheet at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Website	Straight line over 3 years

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Furniture, fittings and equipment	Straight line over 2-5 years
Motor vehicles	Straight line over 2 years
Other property, plant and equipment	Straight line over 2-5 years

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the average cost method.

At each reporting date, stocks are assessed for impairment. If stocks are 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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 31 (2018 - 15).

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

4 Intangible assets

	Internally generated software development costs £	Total £
Cost or valuation		
Additions acquired separately	685,268	685,268
At 31 December 2019	685,268	685,268
Amortisation		
Amortisation charge	82,871	82,871
At 31 December 2019	82,871	82,871
Carrying amount		
At 31 December 2019	602,397	602,397

5 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation				
At 1 January 2019	27,075	2,875	42,906	72,856
Additions	14,248	-	219,336	233,584
At 31 December 2019	41,323	2,875	262,242	306,440
Depreciation				
At 1 January 2019	16,477	2,875	20,099	39,451
Charge for the year	12,036	-	28,514	40,550
At 31 December 2019	28,513	2,875	48,613	80,001
Carrying amount				
At 31 December 2019	12,810	-	213,629	226,439
At 31 December 2018	10,598	-	22,807	33,405

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

6 Stocks

	31 December 2019 £	31 December 2018 £
Raw materials	528,682	106,287
Packaging	143,168	325,558
	<u>671,850</u>	<u>431,845</u>

7 Debtors

	2019 £	2018 £
Trade debtors	20,574	6,122
Other debtors	222,451	178,161
Prepayments	153,098	42,844
Income tax asset	286,325	195,863
Called up share capital not paid	-	4,374,970
	<u>682,448</u>	<u>4,797,960</u>

8 Creditors

	2019 £	2018 £
Due within one year		
Trade creditors	1,341,198	715,829
Social security and other taxes	55,402	30,630
Other creditors	25,658	59,416
Accrued expenses	128,192	74,678
Deferred income	45,318	45,696
	<u>1,595,768</u>	<u>926,249</u>

Mindful Chef Limited

Notes to the Financial Statements

Year Ended 31 December 2019

9 Share capital

Allotted, called up and fully paid shares

		31 December 2019		31 December 2018
	No.	£	No.	£
Ordinary of £0.00001 each	37,417,931	374.18	36,535,011	365.35
A Ordinary of £0.00001 each	13,195,695	131.96	2,651,189	26.51
	<u>50,613,626</u>	<u>506</u>	<u>39,186,200</u>	<u>392</u>

Allotted, called up and unpaid shares

		31 December 2019		31 December 2018
	No.	£	No.	£
Ordinary of £0.00001 each	-	-	400,885	4.01
A Ordinary of £0.00001 each	-	-	10,544,506	105.45
	<u>-</u>	<u>-</u>	<u>10,945,391</u>	<u>109</u>

Included within Note 7 is £Nil (2018 - £4,541,331) relating to unpaid share capital and share premium, shown net of transaction costs.

10 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £4,834,023 (2018 - £101,607). This all relates to operating leases.

11 Audit report

The Independent Auditors' Report was unqualified. The name of the Senior Statutory Auditor who signed the audit report was Nicholas Farrant BA MSc FCA, who signed for and on behalf of PKF Francis Clark.