

Unaudited Financial Statements for the Year Ended 31 March 2023

for

Edinburgh Tea and Coffee Company Ltd.

Contents of the Financial Statements
for the Year Ended 31 March 2023

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4
Chartered Accountants' Report	9

Edinburgh Tea and Coffee Company Ltd.

Company Information
for the Year Ended 31 March 2023

DIRECTORS:

S J Robinson
K F Moore

REGISTERED OFFICE:

29 Brandon Street
Hamilton
South Lanarkshire
ML3 6DA

REGISTERED NUMBER:

SC128500 (Scotland)

ACCOUNTANTS:

Sharles Ltd
Chartered Accountants
29 Brandon Street
Hamilton
ML3 6DA

Edinburgh Tea and Coffee Company Ltd. (Registered number: SC128500)

Balance Sheet
31 March 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	5		-		-
Tangible assets	6		<u>19,274</u>		<u>36,843</u>
			19,274		36,843
CURRENT ASSETS					
Stocks		261,570		268,331	
Debtors	7	396,038		379,726	
Cash at bank and in hand		<u>226,779</u>		<u>102,365</u>	
		884,387		750,422	
CREDITORS					
Amounts falling due within one year	8	<u>146,139</u>		<u>105,234</u>	
NET CURRENT ASSETS			<u>738,248</u>		<u>645,188</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			757,522		682,031
CREDITORS					
Amounts falling due after more than one year	9		(30,290)		(40,510)
PROVISIONS FOR LIABILITIES			<u>(3,451)</u>		<u>(6,770)</u>
NET ASSETS			<u>723,781</u>		<u>634,751</u>
CAPITAL AND RESERVES					
Called up share capital			30,000		30,000
Retained earnings			<u>693,781</u>		<u>604,751</u>
			<u>723,781</u>		<u>634,751</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Edinburgh Tea and Coffee Company Ltd. (Registered number: SC128500)

Balance Sheet - continued
31 March 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 14 December 2023 and were signed on its behalf by:

S J Robinson - Director

Notes to the Financial Statements
for the Year Ended 31 March 2023

1. **STATUTORY INFORMATION**

Edinburgh Tea and Coffee Company Ltd. is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **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 the provisions of Section 1A "Small Entities" and the Companies Act 2006. There were no material departures from that standard.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is derived from coffee related products and services supplied by the company.

Turnover is measured at the fair value of products and services supplied, net of discounts and excluding value added tax, and is recognised at the point that the company obtains the right to consideration.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2016, is being amortised evenly over its estimated useful life of five years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and buildings	- 6.67% on cost
Plant and machinery etc	- 33% on cost and 20% on cost

Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation and accumulated impairment loss.

At each balance sheet date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss. Where it is not possible to estimate the recoverable amount of the asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Expenditure of £1,000 or more on individual tangible fixed assets is capitalised at cost. Expenditure on assets below this threshold is charged directly to the income statement in the period it is incurred.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

3. **ACCOUNTING POLICIES - continued**

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell (net realisable value). Costs, which comprise direct production costs, are based on the method appropriate to the type of inventory class, but usually on a first-in-first-out basis. Overheads are charged to the income statement as incurred. Net realisable value is based on the estimated selling price less any estimated completion or selling costs.

When stocks are sold, the carrying amount of those stocks is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stocks to net realisable value and all losses of stocks are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stocks is recognised as a reduction in the amounts of stocks recognised as an expense in the period in which the reversal occurs.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

4. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 10 (2022 - 10) .

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

5. INTANGIBLE FIXED ASSETS

Goodwill
£

COST

At 1 April 2022
and 31 March 2023

6,521

AMORTISATION

At 1 April 2022
and 31 March 2023

6,521

NET BOOK VALUE

At 31 March 2023

-

At 31 March 2022

-

6. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2022	73,754	177,646	251,400
Additions	-	2,429	2,429
At 31 March 2023	<u>73,754</u>	<u>180,075</u>	<u>253,829</u>
DEPRECIATION			
At 1 April 2022	72,541	142,016	214,557
Charge for year	101	19,897	19,998
At 31 March 2023	<u>72,642</u>	<u>161,913</u>	<u>234,555</u>
NET BOOK VALUE			
At 31 March 2023	<u>1,112</u>	<u>18,162</u>	<u>19,274</u>
At 31 March 2022	<u>1,213</u>	<u>35,630</u>	<u>36,843</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

6. **TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery etc £
COST	
At 1 April 2022 and 31 March 2023	<u>58,359</u>
DEPRECIATION	
At 1 April 2022	41,173
Charge for year	<u>8,369</u>
At 31 March 2023	<u>49,542</u>
NET BOOK VALUE	
At 31 March 2023	<u>8,817</u>
At 31 March 2022	<u>17,186</u>

7. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Trade debtors	149,398	129,250
Amounts owed by group undertakings	214,741	215,341
Other debtors	<u>31,899</u>	<u>35,135</u>
	<u>396,038</u>	<u>379,726</u>

8. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023 £	2022 £
Bank loans and overdrafts	9,138	9,767
Hire purchase contracts	982	4,166
Trade creditors	104,495	57,912
Taxation and social security	24,699	16,875
Other creditors	<u>6,825</u>	<u>16,514</u>
	<u>146,139</u>	<u>105,234</u>

9. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023 £	2022 £
Bank loans	29,496	38,878
Hire purchase contracts	<u>794</u>	<u>1,632</u>
	<u>30,290</u>	<u>40,510</u>

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

10. **SECURED DEBTS**

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	38,634	48,645
Hire purchase contracts	1,776	5,798
	<u>40,410</u>	<u>54,443</u>

HP creditors are secured over the assets to which they relate.

The bank loan is supported by a 100% guarantee from the UK Government.

11. **PENSION COMMITMENTS**

Included within other creditors are contributions totalling £1,075 (2022 - £997) which were due to the pension scheme at the year end.

12. **RELATED PARTY DISCLOSURES**

The company operates a loan account with its holding company, OCC Holdings Ltd.

During the year, the company repaid £600 to the holding company. At the year end, the balance due from the holding company was £214,741 (2022: £215,341). This loan is unsecured, interest free and has no fixed repayment terms.

13. **ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is OCC Holdings Ltd.

Chartered Accountants' Report to the Board of Directors
on the Unaudited Financial Statements of
Edinburgh Tea and Coffee Company Ltd.

The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Edinburgh Tea and Coffee Company Ltd. for the year ended 31 March 2023 which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the Board of Directors of Edinburgh Tea and Coffee Company Ltd., as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Edinburgh Tea and Coffee Company Ltd. and state those matters that we have agreed to state to the Board of Directors of Edinburgh Tea and Coffee Company Ltd., as a body, in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Edinburgh Tea and Coffee Company Ltd. has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Edinburgh Tea and Coffee Company Ltd.. You consider that Edinburgh Tea and Coffee Company Ltd. is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Edinburgh Tea and Coffee Company Ltd.. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Sharles Ltd
Chartered Accountants
29 Brandon Street
Hamilton
ML3 6DA

14 December 2023

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.