

# Flavourly Limited

Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2018

Sense Accounting & Bookkeeping Limited  
Chartered Accountants  
36 Bruntsfield Place  
Edinburgh  
EH10 4HJ

# Flavourly Limited

## Contents

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Statement of Changes in Equity	<u>3</u>
Notes to the Financial Statements	<u>4 to 8</u>

# **Flavourly Limited**

## **Company Information**

<b>Directors</b>	Mr SJ Hannah Mr W Dobbie Mr IA Morrison Mr A D Stewart Mr DN Moore Mr R O'Rorke Mr MA Sheikh Mr C S J Lewcock
<b>Registered office</b>	London House 20-22 East London Street Edinburgh EH7 4BQ
<b>Accountants</b>	Sense Accounting & Bookkeeping Limited Chartered Accountants 36 Bruntsfield Place Edinburgh EH10 4HJ

**Flavourly Limited**  
**(Registration number: SC430601)**  
**Balance Sheet as at 31 December 2018**

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	14,400	16,200
Tangible assets	<u>5</u>	98,725	2,432
		<u>113,125</u>	<u>18,632</u>
<b>Current assets</b>			
Stocks		126,890	-
Debtors	<u>6</u>	132,328	298,979
Cash at bank and in hand		1,102,638	430,995
		1,361,856	729,974
<b>Creditors:</b> Amounts falling due within one year	<u>7</u>	(320,226)	(488,015)
<b>Net current assets</b>		<u>1,041,630</u>	<u>241,959</u>
<b>Net assets</b>		<u>1,154,755</u>	<u>260,591</u>
<b>Capital and reserves</b>			
Called up share capital	<u>8</u>	215	215
Share premium reserve		638,914	638,914
Capital Contribution		2,750,352	729,411
Profit and loss account		(2,234,726)	(1,107,949)
<b>Total equity</b>		<u>1,154,755</u>	<u>260,591</u>

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 20 August 2019 and signed on its behalf by:

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Mr A D Stewart

Director

# Flavourly Limited

## Statement of Changes in Equity for the Year Ended 31 December 2018

	Share capital £	Share premium £	Capital Contribution £	Profit and loss account £	Total £
At 1 January					
2018	215	638,914	729,411	(1,107,949)	260,591
Loss for the year	-	-	-	(1,126,777)	(1,126,777)
Other comprehensive income	-	-	2,020,941	-	2,020,941
Total comprehensive income	-	-	2,020,941	(1,126,777)	894,164
<b>At 31 December 2018</b>	<b>215</b>	<b>638,914</b>	<b>2,750,352</b>	<b>(2,234,726)</b>	<b>1,154,755</b>
	Share capital £	Share premium £	Capital Contribution £	Profit and loss account £	Total £
At 1 January					
2017	215	638,914	-	(600,932)	38,197
Loss for the year	-	-	-	(507,017)	(507,017)
Other comprehensive income	-	-	729,411	-	729,411
Total comprehensive income	-	-	729,411	(507,017)	222,394
<b>At 31 December 2017</b>	<b>215</b>	<b>638,914</b>	<b>729,411</b>	<b>(1,107,949)</b>	<b>260,591</b>

The notes on pages 4 to 8 form an integral part of these financial statements.

# **Flavourly Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **1 General information**

The company is a private company limited by share capital, incorporated in Scotland.

The address of its registered office is:

London House  
20-22 East London Street  
Edinburgh  
EH7 4BQ  
United Kingdom

These financial statements were authorised for issue by the Board on 20 August 2019.

### **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 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Its parent company also continues to support the company's operational existence and thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Revenue recognition**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Turnover from the sale of goods is recognised when the risks and rewards of ownership have been transferred to the buyer. Revenue is stated after sales discounts and other sales taxes, and is net of VAT.

#### **Tax**

The tax expense for the period comprises tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

# Flavourly Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018

### Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

### Depreciation

Depreciation is charged to the profit and loss account on a straight-line basis at the following rates over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives.

Asset class	Depreciation method and rate
Plant and machinery	20% straight line
Office equipment	33.3% straight line

### Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

### Amortisation

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

Asset class	Amortisation method and rate
Goodwill	10% straight line

### Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

### Trade debtors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors.

# **Flavourly Limited**

## **Notes to the Financial Statements for the Year Ended 31 December 2018**

### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. 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.

In the current year, the company has started to hold some of its own stocks. The closing stock balance at the year ended 31 December 2018 therefore reflects the value of stock held on site. The company continues to also operate a consignment stock model for other stocks whereby a third party legally owns and accepts the risk and reward associated with the stock until the point of sale which is fulfilled by the company.

### **Trade creditors**

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

### **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.

### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year, was 16 (2017 - 6).



# Flavourly Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018

### 4 Intangible assets

	Goodwill £
<b>Cost or valuation</b>	
At 1 January 2018	18,000
At 31 December 2018	18,000
<b>Amortisation</b>	
At 1 January 2018	1,800
Amortisation charge	1,800
At 31 December 2018	3,600
<b>Carrying amount</b>	
<b>At 31 December 2018</b>	<b>14,400</b>
At 31 December 2017	16,200

### 5 Tangible assets

	Furniture, fittings and equipment £	Plant and Machinery £	Total £
<b>Cost or valuation</b>			
At 1 January 2018	5,261	-	5,261
Additions	6,552	104,557	111,109
At 31 December 2018	11,813	104,557	116,370
<b>Depreciation</b>			
At 1 January 2018	2,829	-	2,829
Charge for the year	2,660	12,156	14,816
At 31 December 2018	5,489	12,156	17,645
<b>Carrying amount</b>			
<b>At 31 December 2018</b>	<b>6,324</b>	<b>92,401</b>	<b>98,725</b>
At 31 December 2017	2,432	-	2,432

# Flavourly Limited

## Notes to the Financial Statements for the Year Ended 31 December 2018

### 6 Debtors

	2018 £	2017 £
Trade debtors	4,936	82,907
Other debtors	127,392	216,072
	<b>132,328</b>	<b>298,979</b>

### 7 Creditors

Creditors: amounts falling due within one year

	Note	2018 £	2017 £
<b>Due within one year</b>			
Trade creditors		229,703	335,597
Amounts owed to parent undertakings	9	3,002	-
Taxation and social security		18,673	19,658
Other creditors		68,848	132,760
		<b>320,226</b>	<b>488,015</b>

### 8 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
A Ordinary shares of 0.001p each	20,296,583	203	20,296,583	203
B Ordinary shares of 0.001p each	1,196,547	12	1,196,547	12
	<b>21,493,130</b>	<b>215</b>	<b>21,493,130</b>	<b>215</b>

### 9 Related party transactions

The company has taken advantage of the exemption available in FRS 102 from the requirement to disclose related party transactions with wholly owned group companies.

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.