

**COMPLETE COFFEE LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2020**

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## COMPLETE COFFEE LIMITED

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### COMPANY INFORMATION

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<b>Directors</b>	M P Ayling (resigned 23 September 2019) I E A Breminer K E A Breminer Isgren (resigned 1 January 2021) R E A Breminer (appointed 4 September 2019, resigned 1 January 2021) C C Bush (appointed 1 January 2021) M P Flynn (appointed 1 January 2021) A Marshall (appointed 1 June 2020, resigned 1 January 2021)
<b>Company secretary</b>	K E A Breminer Isgren (appointed 1 January 2021)
<b>Registered number</b>	00237628
<b>Registered office</b>	Corinthian House 17 Lansdowne Road Croydon CR0 2BX
<b>Independent auditors</b>	MHA MacIntyre Hudson Chartered Accountants & Statutory Auditors 2 London Wall Place London EC2Y 5AU
<b>Bankers</b>	HSBC Bank Plc 60 Queen Victoria Street London EC4N 4TR

CONTENTS

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	Page
Strategic report	1 - 2
Directors' report	3 - 4
Independent auditors' report	5 - 7
Statement of comprehensive income	8
Statement of financial position	9
Statement of changes in equity	10
Statement of cash flows	11
Analysis of net debt	12
Notes to the financial statements	13 - 29

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Introduction**

The directors present their strategic report together with the audited financial statements for the year ended 31 March 2020.

**Business review**

The company had a net loss before tax of £93,023 during the year ended 31st March 2020, compared with a loss of £746,648 in the year to 31st March 2019.

Turnover showed a decrease of approximately 33.2% from the previous year. Various factors can contribute to this that are outside the control of the company, namely the market price of coffee and the US Dollar / Sterling exchange rate, details of which are provided further below in the review. Despite this it has been a difficult year for the company for a number of other reasons which have adversely impacted profit as follows:

The general economic climate in the UK remains challenging. Margins have remained low driven by year on year low global coffee prices, details of which are shown below. A continued paralysis in the UK Parliament for much of the year did not help. Although we now have an exit date for Europe and some clarity on this we have witnessed an initial lockdown period and the prospect of a pandemic through a good portion of the following year and the economic turmoil this may cause. In response to this the company has continued to review its cost base, and subsequently taken further decisions which have shown benefits this year and in the future.

Turnover has been affected by the price of coffee and exchange rates. The coffee market experienced some large movements during the year. New York Terminal Coffee started the financial year at 94.5 cents per lb in March 2019 and ended the year at 119.55 cents per lb in March 2020. They reached a "low" of 91.85 cents per lb at April 2019, however during the year forward prices climbed at one point to 148.60 c/lb and for much of the year the month spot prices averaged around 106.80 c/lb. This impacts sale prices and hence turnover.

The US Dollar/Sterling exchange rate fluctuated during 2019/20. The rate started the financial year at 1.3031 and ended the year at a rate of 1.2977. Sterling depreciated marginally against the dollar. The Sterling/Euro rate also experienced fluctuations, opening the year at 1.1605 and closing at 1.1301. The continued fall in Sterling against the US Dollar is attributable to economic uncertainty as the UK left the EU.

Gross Profit is 5.5% in 2020 compared to 3.84% in 2019. This increase is partly attributable to the comments made above. Admin expenses decreased by £422k, or 29.35%. This helped to keep the overall loss to a more reasonable level.

The focus of the business in the coming year will be to enhance and develop the existing business, seek new opportunities where possible and continue to provide the highest level of service to the company's customers.

**Principal risks and uncertainties**

The company endeavours to minimise its major business risks by not taking significant exposed positions in either coffee or foreign exchange and by taking insurance on those customers to whom extended credit is granted. However, the company must continue to be vigilant and make sensible risk assessments on the quantities purchased by its trading partners. Being a worldwide trading business, it is also necessary to constantly monitor the political risk caused by conflict or natural disaster.

**STRATEGIC REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2020**

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**Employee Issues**

The company employed 12 persons at the end of the financial year. The company is committed to the welfare of its staff and believes that staff benefits are comparable to companies of a similar size and nature. Employees also have the opportunity to participate in the success of the company through the annual discretionary bonus scheme.

**Environmental Issues**

The company trades in both green and soluble coffee. This includes importing into the United Kingdom from producing countries as well as supplying overseas customers directly from origin countries.

Green coffee beans are normally stored in jute or hessian sacks, whereas soluble coffee is transported in cartons when in bulk form or in glass jars or tins where the end user is the consumer.

Although the company does not produce waste directly as a result of its coffee trading activity, it nevertheless bears a partial producer responsibility within the overall transportation chain. The services of an expert organisation in this field have been retained to ensure that the company complies with its responsibilities under the packaging waste regulations and pays the appropriate levies due.

The company is also a member of the 'Croydon BID' (Business Improvement District) organisation whose aim is to improve the environment within the local area.

**Ethical Issues**

The company is in possession of the appropriate authorisation to trade in Rainforest Alliance, Fairtrade, and Organic coffees. These initiatives are designed to provide a fair price to the growers for their coffee and thereby improve quality of life for them and their families.

**Dividends**

The directors did not recommend a dividend to be paid for the year to 31st March 2020 (31st March 2019: £nil).

This report was approved by the board on 24 March 2021 and signed on its behalf.

**I E A Breminer**

Director

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 MARCH 2020**

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The directors present their report and the financial statements for the year ended 31 March 2020.

**Directors' responsibilities statement**

The directors are responsible for preparing the Strategic report, 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 year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 to 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.

**Results and dividends**

The loss for the year, after taxation, amounted to £114,629 (2019 - £674,244).

**Directors**

The directors who served during the year were:

M P Ayling (resigned 23 September 2019)

I E A Breminer

K E A Breminer Isgren (resigned 1 January 2021)

R E A Breminer (appointed 4 September 2019, resigned 1 January 2021)

A Marshall (appointed 1 June 2020, resigned 1 January 2021)

**Future developments**

The directors' view, in light of the future development between the UK and Europe and the possible impact this may have on the business carried on there, is that they are actively considering necessary steps to ensure future trading is not interrupted. With respect to the UK trade there is an intent to further develop business with existing customers plus to actively pursue new customers.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2020**

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**Disclosure of information to auditors**

Each of the persons who is a director 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 auditors are 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 auditors are aware of that information.

**Post balance sheet events**

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus disease (COVID-19) as a pandemic, which continues to spread throughout the UK and around the world. COVID-19 is having an unprecedented impact in the UK economy as the government reacts to the public health crisis. Due to the COVID-19 outbreak, there is significant uncertainty surrounding the potential impact on the company's results of operations and cash flows. Continued impacts of the pandemic could materially adversely affect the company's near-term and long-term revenues, earnings, liquidity and cash flows as the pandemic may impact the company in unpredictable ways.

The company continues to follow any reliefs programme set out by the UK government and has made use of them in order to minimise the impact of the ongoing pandemic. The directors continue to monitor the cash flows demand of the company and ensure that the company has adequate resources to meet its liabilities and obligations as they fall due.

**Auditors**

The auditors, MHA MacIntyre Hudson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 24 March 2021 and signed on its behalf.

**I E A Breminer**  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPLETE COFFEE LIMITED**

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**Opinion**

We have audited the financial statements of Complete Coffee Limited (the 'Company') for the year ended 31 March 2020, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its loss for the year 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.

**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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPLETE COFFEE LIMITED (CONTINUED)**

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inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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 Strategic report or 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.

**Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement on page 3, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPLETE COFFEE LIMITED (CONTINUED)

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**Auditors' 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 Auditors' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the Company's members 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 Auditors' 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 for our audit work, for this report, or for the opinions we have formed.

Rakesh Shaunak FCA (Senior statutory auditor)

for and on behalf of

**MHA MacIntyre Hudson**

Chartered Accountants & Statutory Auditors

2 London Wall Place

London

EC2Y 5AU

29 March 2021

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2020**

	<b>Note</b>	<b>2020 £</b>	<b>2019 £</b>
Turnover	4	<b>20,129,655</b>	30,151,558
Cost of sales		<b>(19,022,645)</b>	(28,993,407)
<b>Gross profit</b>		<b>1,107,010</b>	1,158,151
Administrative expenses		<b>(1,014,924)</b>	(1,436,523)
Exceptional administrative expenses	12	-	(93,219)
<b>Operating profit/(loss)</b>	5	<b>92,086</b>	(371,591)
Interest receivable and similar income	9	<b>1,120</b>	-
Interest payable and similar expenses	10	<b>(186,229)</b>	(375,057)
<b>Loss before tax</b>		<b>(93,023)</b>	(746,648)
Tax on loss	11	<b>(21,606)</b>	72,404
<b>Loss for the financial year</b>		<b>(114,629)</b>	(674,244)

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 13 to 29 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION  
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	13	45,456	72,674
		<u>45,456</u>	<u>72,674</u>
<b>Current assets</b>			
Stocks	14	1,378,974	3,539,915
Debtors: amounts falling due within one year	15	3,406,853	6,555,339
Cash at bank and in hand	16	286,617	4,730
		<u>5,072,444</u>	<u>10,099,984</u>
Creditors: amounts falling due within one year	17	(3,433,888)	(8,388,354)
<b>Net current assets</b>		<u>1,638,556</u>	<u>1,711,630</u>
<b>Total assets less current liabilities</b>		<u>1,684,012</u>	<u>1,784,304</u>
Creditors: amounts falling due after more than one year	18	-	(7,269)
<b>Provisions for liabilities</b>			
Deferred tax	21	(113,054)	(91,448)
<b>Net assets</b>		<u><u>1,570,958</u></u>	<u><u>1,685,587</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	1,425,884	1,425,884
Profit and loss account	23	145,074	259,703
		<u><u>1,570,958</u></u>	<u><u>1,685,587</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 March 2021.

**I E A Breminer**  
Director

The notes on pages 13 to 29 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Profit and loss account £	Total equity £
<b>At 1 April 2018</b>	1,425,884	933,947	2,359,831
<b>Comprehensive income for the year</b>			
Loss for the year	-	(674,244)	(674,244)
<b>Total comprehensive income for the year</b>	-	(674,244)	(674,244)
<b>At 1 April 2019</b>	1,425,884	259,703	1,685,587
<b>Comprehensive income for the year</b>			
Loss for the year	-	(114,629)	(114,629)
<b>Total comprehensive income for the year</b>	-	(114,629)	(114,629)
<b>At 31 March 2020</b>	<u>1,425,884</u>	<u>145,074</u>	<u>1,570,958</u>

The notes on pages 13 to 29 form part of these financial statements.

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 MARCH 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(114,629)	(674,244)
<b>Adjustments for:</b>		
Depreciation of tangible assets	22,988	34,849
Loss on disposal of tangible assets	4,230	-
Interest paid	186,229	375,057
Interest received	(1,120)	-
Taxation charge	21,606	(72,404)
Decrease in stocks	2,160,941	140,352
Decrease in debtors	3,155,716	1,870,256
(Increase) in amounts owed by groups	(13,621)	(52,500)
(Decrease)/increase in creditors	(115,497)	445,241
Corporation tax received	320	22,014
<b>Net cash generated from operating activities</b>	<b>5,307,163</b>	<b>2,088,621</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	-	(19,138)
Interest received	1,120	-
HP interest paid	(807)	(2,031)
<b>Net cash from investing activities</b>	<b>313</b>	<b>(21,169)</b>
<b>Cash flows from financing activities</b>		
Repayment of/new finance leases	(7,998)	(1,910)
Interest paid	(186,229)	(373,026)
<b>Net cash used in financing activities</b>	<b>(194,227)</b>	<b>(374,936)</b>
<b>Net increase in cash and cash equivalents</b>	<b>5,113,249</b>	<b>1,692,516</b>
Cash and cash equivalents at beginning of year	(7,573,891)	(9,266,407)
<b>Cash and cash equivalents at the end of year</b>	<b>(2,460,642)</b>	<b>(7,573,891)</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	286,617	4,730
Bank overdrafts	(2,747,259)	(7,578,621)
	<b>(2,460,642)</b>	<b>(7,573,891)</b>

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**COMPLETE COFFEE LIMITED**

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**ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 MARCH 2020**

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	At 1 April 2019	Cash flows	At 31 March 2020
	£	£	
Cash at bank and in hand	4,730	281,887	286,617
Bank overdrafts	(7,578,621)	4,831,362	(2,747,259)
Finance leases	(15,266)	7,998	(7,268)
	<u>(7,589,157)</u>	<u>5,121,247</u>	<u>(2,467,910)</u>

The notes on pages 13 to 29 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**1. General information**

Complete Coffee Limited is a private company, limited by shares, registered in England and Wales. The company's registered office is Corinthian House, 17 Lansdowne Road, Croydon, London, CR0 2BX. The principal activity of the company was that of coffee merchants.

**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 Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with 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 following principal accounting policies have been applied:

**2.2 Going concern**

The company made a loss after tax of £114,629 (2019: £674,244) in the year and the capital and reserves are in a surplus of £1,570,958 (2019: £1,685,587).

The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The COVID-19 pandemic and the ensuing economic shutdown have impacted the Company's operations. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the financial statements. The directors consider it a reasonable expectation that the Company will continue in operational existence for the foreseeable future of a minimum 12 months from signing the balance sheet. The directors/shareholders have confirmed their continued support for the group, so that the group can meet its liabilities as they fall due.



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

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2. Accounting policies (continued)

2.3 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 comprehensive income 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 comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.4 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.5 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.

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 April 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

**2.6 Interest income**

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

**2.7 Finance costs**

Finance costs are charged to the Statement of comprehensive income 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.

**2.8 Borrowing costs**

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

**2.9 Pensions**

**Defined contribution pension plan**

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 payment 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.10 Current and deferred taxation**

The tax expense for the year 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 Statement of financial position 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.

**2.11 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**2.12 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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)****2.12 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Motor vehicles	- 25% Reducing balance
Fixtures and fittings	- 25% Reducing balance
Equipment	- 10-20% Straight line
Computer equipment	- 25% Straight line

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.

**2.13 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

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

**2.14 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.

**2.15 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.

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

**2.16 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**2. Accounting policies (continued)**

**2.17 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Statement of financial position date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Statement of financial position date.

**2.18 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 comprehensive income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position 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 Statement of financial position.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amount of assets and liabilities. The directors judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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

**3.1 Critical judgements in applying the company's accounting policies**

There are critical judgements that the directors have made in the process of applying the company's accounting policies.

**Profit on forward contracts**

The directors are assessing the fair value of the open forward contracts at the year end. When establishing this estimate, the directors are considering external market conditions available. The company also has well established commodity traders with sufficient market expertise to make a reliable assessment to the fair value of these contracts at the year end.

**Recoverability of debtors**

The directors establish a provision for bad debts that are estimated not to be recovered. When assessing recoverability the directors consider factors such as the ageing of debtors, past experience of recoverability and the credit profile of individual or groups of customers.

**Assessing indicators of stock impairment**

In assessing whether there have been any indicators of stock impairment, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no indicators of impairment identified during the current financial year.

**3.2 Key sources of estimation uncertainty**

There are no material key sources of estimation uncertainty.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

4. Turnover

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	14,083,733	22,865,143
Rest of Europe	3,224,766	4,123,248
Rest of the world	2,821,156	3,163,167
	<u>20,129,655</u>	<u>30,151,558</u>

5. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2020 £	2019 £
Depreciation - owned assets	16,855	26,669
Depreciation - assets on hire purchase contracts	6,133	8,179
Defined contribution pension cost	<u>64,518</u>	<u>72,709</u>

6. Auditors' remuneration

	2020 £	2019 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>17,000</u>	<u>17,000</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	504,440	719,412
Social security costs	60,863	95,214
Cost of defined contribution scheme	61,803	182,037
	<u>627,106</u>	<u>996,663</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Administrative & Operational	<u>12</u>	<u>14</u>

8. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	141,531	257,743
Company contributions to defined contribution pension schemes	37,963	157,476
	<u>179,494</u>	<u>415,219</u>

During the year retirement benefits were accruing to 4 directors (2019 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £71,863 (2019 - £116,979).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,283 (2019 - £77,653).

9. Interest receivable

	2020 £	2019 £
Other interest receivable	1,120	-
	<u>1,120</u>	<u>-</u>



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

10. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	185,422	373,026
Finance leases and hire purchase contracts	807	2,031
	<u>186,229</u>	<u>375,057</u>

11. Taxation

	2020 £	2019 £
<b>Corporation tax</b>		
Adjustments in respect of previous periods	-	(131)
<b>Total current tax</b>	<u>-</u>	<u>(131)</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	21,606	(72,273)
<b>Total deferred tax</b>	<u>21,606</u>	<u>(72,273)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>21,606</u>	<u>(72,404)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(93,023)</u>	<u>(746,648)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	(17,674)	(141,863)
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	329	518
Capital allowances for year in excess of depreciation	3,559	3,947
Tax of forward contracts deferred	(8,030)	59,382
Deferred tax	21,606	-
Unrelieved tax losses carried forward	22,074	13,587
Other differences leading to an increase (decrease) in the tax charge	(258)	(7,975)
<b>Total tax charge for the year</b>	<u><u>21,606</u></u>	<u><u>(72,404)</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

12. Exceptional items

	2020 £	2019 £
Loss of stock	-	93,219
	<u>-</u>	<u>93,219</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

13. Tangible fixed assets

	Motor vehicles £	Fixtures, fittings & equipment £	Total £
<b>Cost</b>			
At 1 April 2019	64,456	237,255	301,711
Disposals	(25,350)	-	(25,350)
At 31 March 2020	39,106	237,255	276,361
<b>Depreciation</b>			
At 1 April 2019	39,921	189,116	229,037
Charge for the year on owned assets	-	16,855	16,855
Charge for the year on financed assets	6,133	-	6,133
Disposals	(21,120)	-	(21,120)
At 31 March 2020	24,934	205,971	230,905
<b>Net book value</b>			
At 31 March 2020	14,172	31,284	45,456
<b>At 31 March 2019</b>	24,535	48,139	72,674

The net book value of assets under finance leases or hire purchase contracts, included above, is as follows.

	2020 £	2019 £
Motor vehicles	14,172	24,535
	<u>14,172</u>	<u>24,535</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

14. Stocks

	2020 £	2019 £
Stock of coffee	1,378,974	3,539,915
	<u>1,378,974</u>	<u>3,539,915</u>

15. Debtors

	2020 £	2019 £
Trade debtors	2,195,509	5,418,086
Amounts owed by group undertakings	536,727	523,106
Other debtors	579,101	519,089
Prepayments and accrued income	95,516	95,058
	<u>3,406,853</u>	<u>6,555,339</u>

16. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	286,617	4,730
Less: bank overdrafts	(2,747,259)	(7,578,621)
	<u>(2,460,642)</u>	<u>(7,573,891)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

17. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	2,747,259	7,578,621
Trade creditors	525,363	700,142
Other taxation and social security	25,470	15,746
Obligations under finance lease and hire purchase contracts	7,268	7,997
Other creditors	5,435	6,023
Accruals and deferred income	123,093	79,825
	<u>3,433,888</u>	<u>8,388,354</u>

The following liabilities were secured:

	2020 £	2019 £
Bank loans and overdrafts	2,747,259	7,578,621
	<u>2,747,259</u>	<u>7,578,621</u>

Details of security provided:

The bank borrowings are repayable on demand and secured by fixed and floating charges on all the company's assets and undertakings. The company has a guarantee dated 27 May 2015 in favour of Intl FC Stone for \$600,000.

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

	2020 £	2019 £
Net obligations under finance leases and hire purchase contracts	-	7,269
	<u>-</u>	<u>7,269</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2020 £	2019 £
Within one year	7,268	7,997
Between 1-5 years	-	7,269
	<u>7,268</u>	<u>15,266</u>

20. Financial instruments

	2020 £	2019 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	566,347	485,722
Financial assets that are debt instruments measured at amortised cost	2,202,018	5,950,469
	<u>2,768,365</u>	<u>6,436,191</u>
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>(3,283,912)</u>	<u>(8,300,052)</u>

Financial assets measured at fair value through profit or loss comprise of forward contracts. The group purchases forward foreign currency contracts to hedge currency exposure on firm future commitments. The fair values of the assets and liabilities held at fair value through profit and loss at the balance sheet date are determined using quoted prices.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank borrowings, trade creditors, other creditors and obligations under hire purchase contracts.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020

21. Deferred taxation

	2020 £
At beginning of year	(91,448)
Charged to profit or loss	(21,606)
<b>At end of year</b>	<b><u>(113,054)</u></b>

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	(5,449)	(8,876)
Tax losses carried forward	(107,605)	(82,572)
	<b><u>(113,054)</u></b>	<b><u>(91,448)</u></b>

22. Share capital

	2020 £	2019 £
<b>Allotted, called up and fully paid</b>		
1,420,884 (2019 - 1,420,884) Ordinary Shares shares of £1.00 each	1,420,884	1,420,884
5,000 (2019 - 5,000) Preference Shares shares of £1.00 each	5,000	5,000
	<b><u>1,425,884</u></b>	<b><u>1,425,884</u></b>

23. Reserves

**Profit and loss account**

The profit and loss account represents cumulative profits and losses net of dividends and other deductions.

24. Contingent liabilities

As at 31 March 2020, there were outstanding forward currency contracts amounting to £1,824,888 (2019: £3,822,832).

The company has given a guarantee in relation to the bank borrowings of other group companies within the group and is in receipt of a guarantee against its own bank borrowings from other companies within the group. At the year end the borrowings amounted to £2,747,259 (2019: £7,578,621).

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020**

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**25. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represent contributions payable by the company to the fund and amounted to £61,803 (2019: £182,037). No contributions were outstanding to the fund at the balance sheet date.

**26. Commitments under operating leases**

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	80,017	80,017
Later than 1 year and not later than 5 years	200,043	280,060
	<u>280,060</u>	<u>360,077</u>

**27. Related party transactions**

As the company is a wholly owned subsidiary, the company has taken advantage of the exemption from the requirements to disclose transactions with its parent company.

During the year under review the company made a donation of £545 (2019: £2,108) to Complete Coffee Foundation, a charity of which I E A Breminer, K E A Breminer Isgren and R E A Breminer are Trustees.

At the year end, the company was owed £38,975 (2019: £119,263) from one of its shareholders, a company with significant influence of the ordinary share capital in Associated Coffee Merchants (International) Limited. The balance is included in trade debtors at the year end, and is repayable under Complete Coffee Limited's normal commercial terms. The company also generated £2,093,160 (2019: £2,426,104) of revenue from this related party during the year.

**28. Post balance sheet events**

In January 2021, a 74.99% stake of Complete Coffee Limited was purchased by Sucafina SA from Associated Coffee Merchants (International) Limited. This transaction has given Sucafina SA a significant influence over Complete Coffee Limited. Associated Coffee Merchants (International) Limited now has a 25.01% stake in Complete Coffee Limited.

**29. Controlling party**

The ultimate parent company at the year end was Associated Coffee Merchants (International) Limited, a company incorporated in England and Wales. The company's consolidated financial statements can be obtained from Corinthian House, 17 Lansdowne Road, Croydon, CR0 2BX.

The ultimate controlling party at the year-end date was is IEA Breminer and family.





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