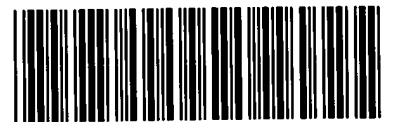


Registration number: 01398705

Cake Craft World Ltd

Annual Report and Financial Statements
for the Year Ended 31 December 2022

WEDNESDAY



AC92ØUL7

A27

02/08/2023

#180

COMPANIES HOUSE

Cake Craft World Ltd

Contents

Company Information	1
Directors' Report	2
Statement of Directors' Responsibilities	3
Independent Auditor's Report	4 to 6
Profit and Loss Account	7
Balance Sheet	8
Statement of Changes in Equity	9
Notes to the Financial Statements	10 to 16
Detailed Profit and Loss Account	17 to 18

Cake Craft World Ltd

Company Information

Directors	Graham Linney Gary Peter Quinn Hendrik Danny Nijboer
Registered office	Private Road 8 Colwick Industrial Estate Nottingham NG4 2JX
Auditors	Just Audit & Assurance Ltd 4 South Bar Street Banbury Oxfordshire OX16 9AA

Cake Craft World Ltd

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors of the company

The directors who held office during the year were as follows:

Graham Linney (appointed 19 January 2022)

Gary Peter Quinn (appointed 1 January 2022)

Hendrik Danny Nijboer (appointed 1 January 2022)

Georg Heerdegen Parsbo (ceased 1 January 2022)

Linda Jane Glaysheer (ceased 27 September 2022)

Paul Christian Hallam (ceased 27 September 2022)

Dr Johannes Rosenthal (ceased 1 January 2022)

Principal activity

The principal activity of the company is the sale of cake decorating products through an online retail platform and retail shop.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has 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.

Approved and authorised by the Board on 31st July 2023 and signed on its behalf by:



.....
Graham Linney
Director

Cake Craft World Ltd

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and 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 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.

Cake Craft World Ltd

Independent Auditor's Report to the Members of Cake Craft World Ltd

Opinion

We were engaged to audit the financial statements of Cake Craft World Ltd (the 'company') for the year ended 31 December 2022, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, and Notes to the Financial Statements, 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 FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Basis for disclaimer of opinion on financial statements

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 auditor 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The ownership of the company changed on 1 January 2022 with a consequent change in management part way through the year, at which point the opportunity to bring the underlying accounting system in line with the parent company was taken.

However, the records for the time up until the transition were not readily interrogable and as such we were unable to obtain sufficient, appropriate evidence in support of a number of areas which in combination were pervasive across the financial statements. This included an inability to reconcile account balances to underlying records, as well as supporting documents and explanations that were unavailable.

Disclaimer on view given by the financial statements

Because of the possible effect to the financial statements of the above we are unable to form an opinion as to whether the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out 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.

Auditor Responsibilities for the audit of the financial statements

Cake Craft World Ltd

Independent Auditor's Report to the Members of Cake Craft World Ltd

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 auditor's 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 is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

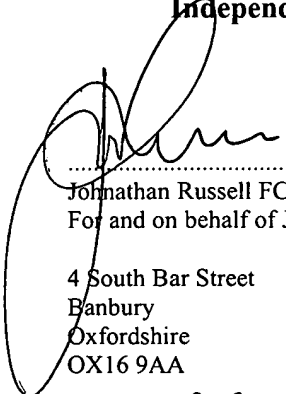
However, because of the matter described in the basis for disclaimer of opinion section of our report, we were not able to obtain sufficient appropriate evidence to provide a basis for an audit opinion on these financial statements.

Use of our report

This report is made solely to the company's members, as a body, 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 auditor's 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Cake Craft World Ltd

Independent Auditor's Report to the Members of Cake Craft World Ltd



.....
Johnathan Russell FCA (Senior Statutory Auditor)
For and on behalf of Just Audit & Assurance Ltd, Statutory Auditor

4 South Bar Street
Banbury
Oxfordshire
OX16 9AA

Date:

1-8-2023

Cake Craft World Ltd

Profit and Loss Account for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Turnover		1,296,937	2,465,402
Cost of sales		<u>(840,319)</u>	<u>(1,528,913)</u>
Gross profit		456,618	936,489
Distribution costs		(151,688)	-
Administrative expenses		(1,559,441)	(1,175,691)
Other operating income		<u>(118,897)</u>	<u>-</u>
Operating loss		<u>(1,373,408)</u>	<u>(239,202)</u>
Other interest receivable and similar income		3	-
Interest payable and similar expenses		<u>(313)</u>	<u>-</u>
		<u>(310)</u>	<u>-</u>
Loss before tax	5	<u>(1,373,718)</u>	<u>(239,202)</u>
Loss for the financial year		<u><u>(1,373,718)</u></u>	<u><u>(239,202)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Cake Craft World Ltd

(Registration number: 01398705) Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	6	140,953	264,216
Tangible assets	7	<u>24,111</u>	<u>13,425</u>
		<u>165,064</u>	<u>277,641</u>
Current assets			
Stocks	8	26,114	364,124
Debtors	9	34,652	105,747
Cash at bank and in hand		<u>57,720</u>	<u>17,914</u>
		118,486	487,785
Creditors: Amounts falling due within one year	10	<u>(1,359,566)</u>	<u>(467,724)</u>
Net current (liabilities)/assets		<u>(1,241,080)</u>	<u>20,061</u>
Net (liabilities)/assets		<u>(1,076,016)</u>	<u>297,702</u>
Capital and reserves			
Called up share capital	11	100	100
Retained earnings		<u>(1,076,116)</u>	<u>297,602</u>
Shareholders' (deficit)/funds		<u>(1,076,016)</u>	<u>297,702</u>

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.

Approved and authorised by the Board on 31st July 2023 and signed on its behalf by:



.....
Graham Linney
Director

Cake Craft World Ltd

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £	Retained earnings £	Total £
At 1 January 2022	100	297,602	297,702
Loss for the year	-	(1,373,718)	(1,373,718)
At 31 December 2022	100	(1,076,116)	(1,076,016)

	Share capital £	Retained earnings £	Total £
At 1 January 2021	100	536,804	536,904
Loss for the year	-	(239,202)	(239,202)
At 31 December 2021	100	297,602	297,702

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

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

The address of its registered office is:

Private Road 8
Colwick Industrial Estate
Nottingham
NG4 2JX

These financial statements were authorised for issue by the Board on 31st July 2023.

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 smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

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

The financial statements have been prepared on a going concern basis. As part of a larger group continued support is afforded from the ultimate parent undertaking.

Judgements

The directors have made no material judgements or key estimates in preparing these financial statements.

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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Finance income and costs policy

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

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

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 rate on the date when the fair value is re-measured.

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

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
Motor Vehicles	25% reducing balance
Leasehold Improvements	15% reducing balance
Computer Equipment	25% reducing balance
Fixtures and Fittings	25% reducing balance

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories 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.

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

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.

Dividends

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

Defined contribution pension obligation

The company operates a defined benefit 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 obligations.

The contributions are recognised as an expense in the profit and loss account when they fall due. Amounts not paid are shown as a liability in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 24 (2021 - 38).

4 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>2,504</u>	<u>3,000</u>

5 Loss before tax

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	<u>15,463</u>	<u>2,875</u>

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

6 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 January 2022	264,216	264,216
Additions acquired separately	28,386	28,386
Disposals	(151,649)	(151,649)
At 31 December 2022	<u>140,953</u>	<u>140,953</u>
Amortisation		
Carrying amount		
At 31 December 2022	<u>140,953</u>	<u>140,953</u>
At 31 December 2021	<u>264,216</u>	<u>264,216</u>

7 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 January 2022	62,445	6,995	69,440
Additions	23,984	-	23,984
Disposals	(52,640)	-	(52,640)
At 31 December 2022	<u>33,789</u>	<u>6,995</u>	<u>40,784</u>
Depreciation			
At 1 January 2022	49,347	6,668	56,015
Charge for the year	15,137	327	15,464
Eliminated on disposal	(54,806)	-	(54,806)
At 31 December 2022	<u>9,678</u>	<u>6,995</u>	<u>16,673</u>
Carrying amount			
At 31 December 2022	<u>24,111</u>	<u>-</u>	<u>24,111</u>
At 31 December 2021	<u>13,098</u>	<u>327</u>	<u>13,425</u>

8 Stocks

	2022 £	2021 £
Other inventories	<u>26,114</u>	<u>364,124</u>

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

9 Debtors

		2022	2021
Current	Note	£	£
Trade debtors		1,840	5,366
Amounts owed by related parties	14	5,000	14,389
Prepayments		23,815	85,992
Other debtors		3,997	-
		<u>34,652</u>	<u>105,747</u>

10 Creditors

Creditors: amounts falling due within one year

		2022	2021
	Note	£	£
Due within one year			
Trade creditors		30,210	84,566
Amounts owed to group undertakings and undertakings in which the company has a participating interest	14	1,276,412	313,541
Taxation and social security		22,368	66,976
Accruals and deferred income		25,399	-
Other creditors		5,177	2,641
		<u>1,359,566</u>	<u>467,724</u>

11 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

12 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022	2021
	£	£
Not later than one year	-	4,488

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2021 - £Nil).

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

13 Financial commitments, guarantees and contingencies

Amounts disclosed in the balance sheet

Included in the balance sheet are pensions of £Nil (2021 - £2,641).

14 Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Cake Craft World Ltd

Notes to the Financial Statements for the Year Ended 31 December 2022

Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	167,383	-
Contributions paid to money purchase schemes	2,200	-
	<u>169,583</u>	<u>-</u>

15 Parent and ultimate parent undertaking

On 1 January 2022 the company was sold to Create Better Group Limited, a company registered in the United Kingdom. The company's ultimate controlling party continues to be Dr. August Oetker KG, a company registered in Germany that prepares consolidated accounts including the results of Cake Craft World Limited.

The company's immediate parent is Dr. Oetker (UK) Limited, incorporated in United Kingdom.

The ultimate controlling party is Dr. August Oetker KG.