

**Brown Bread (UK) LTD**  
Annual Report and Unaudited Financial Statements  
for the Period from 1 June 2016 to 31 December 2016

# Brown Bread (UK) LTD

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# **Brown Bread (UK) LTD**

## **Company Information**

**Directors** P Brown  
A Brown

**Company secretary** P Brown

**Registered office** Unit 212 Vanilla Factory  
39 Fleet Street  
Liverpool  
L1 4AR

# Brown Bread (UK) LTD

(Registration number: 05131425)

## Balance Sheet as at 31 December 2016

	Note	31 December 2016 £	31 May 2016 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	153,031	151,586
<b>Current assets</b>			
Stocks	<u>5</u>	12,717	54,004
Debtors	<u>6</u>	25,699	185,132
Cash at bank and in hand		19,386	194,786
		<u>57,802</u>	<u>433,922</u>
<b>Creditors: Amounts falling due within one year</b>	<u>7</u>	<u>(143,398)</u>	<u>(636,121)</u>
<b>Net current liabilities</b>		<u>(85,596)</u>	<u>(202,199)</u>
<b>Total assets less current liabilities</b>		67,435	(50,613)
<b>Creditors: Amounts falling due after more than one year</b>	<u>7</u>	<u>(185,568)</u>	<u>(94,130)</u>
<b>Net liabilities</b>		<u>(118,133)</u>	<u>(144,743)</u>
<b>Capital and reserves</b>			
Called up share capital		100	100
Profit and loss account		<u>(118,233)</u>	<u>(144,843)</u>
<b>Total equity</b>		<u>(118,133)</u>	<u>(144,743)</u>

The notes on pages 4 to 9 form an integral part of these financial statements.

# **Brown Bread (UK) LTD**

**(Registration number: 05131425)**

## **Balance Sheet as at 31 December 2016 (continued)**

For the financial period ending 31 December 2016 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 period 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 22 December 2017 and signed on its behalf by:

.....

A Brown

Director

The notes on pages 4 to 9 form an integral part of these financial statements.  
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# **Brown Bread (UK) LTD**

## **Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016**

### **1 General information**

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

The address of its registered office is:

Unit 212 Vanilla Factory  
39 Fleet Street  
Liverpool  
L1 4AR  
England

These financial statements were authorised for issue by the Board on 22 December 2017.

### **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.

#### **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.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position 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.

## **Brown Bread (UK) LTD**

### **Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016 (continued)**

#### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Plant and machinery	33% on cost
Furniture and fittings	20% on cost
Office equipment	33% on cost
Motor vehicles	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 goods 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.

#### **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.

## **Brown Bread (UK) LTD**

### **Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016 (continued)**

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **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 period, was 14 (31 May 2016 - 7).



## Brown Bread (UK) LTD

### Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016 (continued)

#### 4 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
<b>Cost or valuation</b>				
At 1 June 2016	13,523	15,742	169,857	199,122
Additions	-	-	38,612	38,612
At 31 December 2016	13,523	15,742	208,469	237,734
<b>Depreciation</b>				
At 1 June 2016	12,240	466	34,830	47,536
Charge for the period	748	2,228	34,191	37,167
At 31 December 2016	12,988	2,694	69,021	84,703
<b>Carrying amount</b>				
At 31 December 2016	535	13,048	139,448	153,031
At 31 May 2016	1,283	15,276	135,027	151,586

#### 5 Stocks

	31 December 2016 £	31 May 2016 £
Finished goods and goods for resale	12,717	54,004

#### 6 Debtors

	31 December 2016 £	31 May 2016 £
Trade debtors	7,167	103,808
Prepayments	15,135	75,153
Other debtors	3,397	6,171
	25,699	185,132

# Brown Bread (UK) LTD

## Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016 (continued)

### 7 Creditors

#### Creditors: amounts falling due within one year

	31 December 2016 £	31 May 2016 £
<b>Due within one year</b>		
Trade creditors	45,677	77,092
Taxation and social security	5,096	33,694
Accruals and deferred income	50,894	524,899
Other creditors	41,731	436
	<u>143,398</u>	<u>636,121</u>

#### Creditors: amounts falling due after more than one year

		31 December 2016 £	31 May 2016 £
	<b>Note</b>		
<b>Due after one year</b>			
Loans and borrowings	9	<u>185,568</u>	<u>94,130</u>

### 8 Share capital

#### Allotted, called up and fully paid shares

	31 December 2016		31 May 2016	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

### 9 Loans and borrowings

	31 December 2016 £	31 May 2016 £
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>185,568</u>	<u>94,130</u>

## **Brown Bread (UK) LTD**

### **Notes to the Financial Statements for the Period from 1 June 2016 to 31 December 2016 (continued)**

#### **10 Related party transactions**

##### **Directors' remuneration**

The directors' remuneration for the period was as follows:

	<b>31 December 2016 £</b>	<b>31 May 2016 £</b>
Remuneration	23,334	30,548
Contributions paid to money purchase schemes	29	-
	<u>23,363</u>	<u>30,548</u>

#### **11 Parent and ultimate parent undertaking**

The ultimate controlling party is A Brown & P Brown.

#### **12 Off-balance sheet arrangements**

The company has entered into a non-cancellable lease relating to property, the payments for which extend over a period of up to 3 years. The minimum annual rentals under the lease are as follows :

31.12.16 expiring within 2 - 5 years - £4,485

31.05.16 expiring within 2 - 5 years - £4,485

#### **13 Transition to FRS 102**

There were no adjustments necessary on transition to FRS 102.

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.