

**Brown Bread (UK) LTD**  
Annual Report and Unaudited Financial Statements  
for the Year Ended 31 December 2022

# **Brown Bread (UK) LTD**

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

### **Company Information**

<b>Directors</b>	P Brown A Brown
<b>Company secretary</b>	P Brown
<b>Registered office</b>	10 Grange Road West Kirby Wirral CH48 4HA

**Brown Bread (UK) LTD**  
**(Registration number: 05131425)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	<u>4</u>	1,715	2,510
<b>Current assets</b>			
Debtors	<u>5</u>	-	46,154
Cash at bank and in hand		6,422	7,446
		6,422	53,600
<b>Creditors: Amounts falling due within one year</b>	<u>6</u>	(297,665)	(302,492)
<b>Net current liabilities</b>		(291,243)	(248,892)
<b>Total assets less current liabilities</b>		(289,528)	(246,382)
<b>Creditors: Amounts falling due after more than one year</b>	<u>6</u>	(160,531)	(147,563)
<b>Net liabilities</b>		(450,059)	(393,945)
<b>Capital and reserves</b>			
Called up share capital	<u>7</u>	100	100
Retained earnings		(450,159)	(394,045)
<b>Shareholders' deficit</b>		(450,059)	(393,945)

For the financial year ending 31 December 2022 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime. As permitted by section 444 (5A) of the Companies Act 2006, the directors have not delivered to the registrar a copy of the Profit and Loss Account.

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.

Approved and authorised by the Board on 18 September 2023 and signed on its behalf by:

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P Brown

Company secretary and director

# **Brown Bread (UK) LTD**

## **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022**

### **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:

10 Grange Road  
West Kirby  
Wirral  
CH48 4HA  
United Kingdom

These financial statements were authorised for issue by the Board on 18 September 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 company has not traded during the year and has an apparent shortage of working capital. However, on the grounds that the directors have identified potential new markets for the company and have obtained assurances from funders indicating that the company will continue to be able to meet its obligations for at least twelve months from the date of approval of these financial statements, the financial statements for the year ended 31 December 2022 have been prepared on the going concern basis.

#### **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.

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

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **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:

<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.

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

### **Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **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 Unaudited Financial Statements for the Year Ended 31 December 2022 (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 year, was 2 (31 December 2021 - 4).



## Brown Bread (UK) LTD

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

#### 4 Tangible assets

	Office equipment £	Motor vehicles £	Other tangible assets £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	8,081	11,700	247,044	266,825
Disposals	-	-	(54,240)	(54,240)
At 31 December 2022	8,081	11,700	192,804	212,585
<b>Depreciation</b>				
At 1 January 2022	7,858	9,413	247,044	264,315
Charge for the year	223	572	-	795
Eliminated on disposal	-	-	(54,240)	(54,240)
At 31 December 2022	8,081	9,985	192,804	210,870
<b>Carrying amount</b>				
At 31 December 2022	-	1,715	-	1,715
At 31 December 2021	223	2,287	-	2,510

#### 5 Debtors

	2022 £	2021 £
Prepayments	-	11,609
Other debtors	-	34,545
	-	46,154

## Brown Bread (UK) LTD

### Notes to the Unaudited Financial Statements for the Year Ended 31 December 2022 (continued)

#### 6 Creditors

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

	2022 £	2021 £
<b>Due within one year</b>		
Trade creditors	8,923	15,535
Taxation and social security	2,886	1,021
Accruals and deferred income	285,856	285,856
Other creditors	-	80
	<u>297,665</u>	<u>302,492</u>

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

	Note	2022 £	2021 £
<b>Due after one year</b>			
Loans and borrowings	<u>8</u>	<u>160,531</u>	<u>147,563</u>

#### 7 Share capital

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

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

#### 8 Loans and borrowings

	2022 £	2021 £
<b>Non-current loans and borrowings</b>		
Other borrowings	<u>160,531</u>	<u>147,563</u>

#### 9 Financial commitments, guarantees and contingencies

The company's bankers, HSBC Plc, hold a fixed and floating charge over the assets of the company.

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.