

Company Registration No. 09588477 (England and Wales)

BRAZZLE FINANCE LTD
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019
PAGES FOR FILING WITH REGISTRAR

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BRAZZLE FINANCE LTD

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BRAZZLE FINANCE LTD

BALANCE SHEET

AS AT 31 DECEMBER 2019

	Notes	2019 £	£	2019 £	£
Fixed assets					
Intangible assets	3		1,250		4,167
Tangible assets	4		137,322		160,406
			<u>138,572</u>		<u>164,573</u>
Current assets					
Debtors	5	206,154		156,586	
Cash at bank and in hand		5,249		1,293	
		<u>211,403</u>		<u>157,879</u>	
Creditors: amounts falling due within one year	6	(189,110)		(179,042)	
Net current assets/(liabilities)			<u>22,293</u>		<u>(21,163)</u>
Total assets less current liabilities			160,865		143,410
Creditors: amounts falling due after more than one year	7	(172,903)		(175,629)	
Net liabilities			<u>(12,038)</u>		<u>(32,219)</u>
Capital and reserves					
Called up share capital			1		1
Profit and loss reserves			(12,039)		(32,220)
Total equity			<u>(12,038)</u>		<u>(32,219)</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 December 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

BRAZZLE FINANCE LTD

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2019

The financial statements were approved and signed by the director and authorised for issue on 17 December 2020

Mr H Wardrope

Director

Company Registration No. 09588477

BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Brazzle Finance Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 95 Middlesex Street, London, E1 7DA.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Reporting period

The financial statements have a shortened period of 7 months from 1 June 2019 to 31 December 2019. Therefore, amounts will not be comparable.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to the length of the contract for membership.

1.4 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	5 years
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BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	Over the remaining term of the lease
Plant and equipment	20% straight line
Fixtures and fittings	15% straight line
Computers	15% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

2 Employees

The average monthly number of persons (including directors) employed by the company during the period was:

	2019 Number	2019 Number
Total	4	4

3 Intangible fixed assets

	Other £
Cost	
At 1 June 2019 and 31 December 2019	25,000
Amortisation and impairment	
At 1 June 2019	20,833
Amortisation charged for the period	2,917
At 31 December 2019	23,750
Carrying amount	
At 31 December 2019	1,250
At 31 May 2019	4,167

BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

4 Tangible fixed assets

	Land and buildings	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 June 2019	144,980	141,501	286,481
Additions	-	1,971	1,971
At 31 December 2019	144,980	143,472	288,452
Depreciation and impairment			
At 1 June 2019	43,494	82,581	126,075
Depreciation charged in the period	8,457	16,598	25,055
At 31 December 2019	51,951	99,179	151,130
Carrying amount			
At 31 December 2019	93,029	44,293	137,322
At 31 May 2019	101,486	58,920	160,406

5 Debtors

	2019 £	2019 £
Amounts falling due within one year:		
Other debtors	206,154	156,586

6 Creditors: amounts falling due within one year

	2019 £	2019 £
Bank loans	47,577	47,856
Trade creditors	41,669	14,202
Taxation and social security	13,594	25,241
Other creditors	86,270	91,743
	189,110	179,042

The bank loans are secured via a fixed and floating charge over all assets of the company.

Other creditors includes £17,387 (31 May 2019 - £15,056) in relation to finance leases, which are secured on the assets to which they relate.

BRAZZLE FINANCE LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

7 Creditors: amounts falling due after more than one year

	2019	2019
	£	£
Bank loans and overdrafts	149,856	142,884
Other creditors	23,047	32,745
	<u>172,903</u>	<u>175,629</u>

Other creditors includes £23,047 (31 May 2019 - £32,745) in relation to finance leases, which are secured on the assets to which they relate.

The bank loans are secured via a fixed and floating charge over all assets of the company.

8 Events after the reporting date

Subsequent to the year end Brazzle Holdings Limited became the immediate parent company. There was no change in the ultimate controlling party.

9 Related party transactions

At the balance sheet date the company owed £164,603 (2019 - £130,640) and owed £5,260 (2019 - £24,129 was owed) to companies under common control.

At the balance sheet date the company owed the director £50,358 (2019 - £46,257).

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.