

Elite Coffee Limited

Annual Report and Unaudited Abridged Financial Statements
for the Period from 1 May 2019 to 31 October 2020

Elite Coffee Limited

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Elite Coffee Limited

Company Information

Directors	Mr S S Bassett Ms J A Sutton Mr P Harbottle Mr W V G Morgan Ms Gingell
Registered office	Box 122 St Loyes House 20 St. Loyes Street Bedford Bedfordshire MK40 1ZL
Accountants	Inn Control 10 Cheyne Walk Northampton Northamptonshire NN1 5PT

Elite Coffee Limited
(Registration number: 10197096)
Abridged Balance Sheet as at 31 October 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	<u>5</u>	52,250	31,750
Tangible assets	<u>6</u>	456,672	321,820
		<u>508,922</u>	<u>353,570</u>
Current assets			
Stocks	<u>7</u>	7,989	6,803
Debtors		55,344	34,965
Cash at bank and in hand		309,843	110,677
		373,176	152,445
Prepayments and accrued income		17,355	11,737
Creditors: Amounts falling due within one year		<u>(424,634)</u>	<u>(140,783)</u>
Net current (liabilities)/assets		<u>(34,103)</u>	<u>23,399</u>
Total assets less current liabilities		474,819	376,969
Creditors: Amounts falling due after more than one year		(382,309)	-
Accruals and deferred income		<u>(43,790)</u>	<u>(59,266)</u>
Net assets		<u>48,720</u>	<u>317,703</u>
Capital and reserves			
Called up share capital		2	2
Share premium reserve		484,050	484,050
Profit and loss account		<u>(435,332)</u>	<u>(166,349)</u>
Total equity		<u>48,720</u>	<u>317,703</u>

For the financial period ending 31 October 2020 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.

Elite Coffee Limited

(Registration number: 10197096)

Abridged Balance Sheet as at 31 October 2020

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.

All of the company's members have consented to the preparation of an Abridged Profit and Loss Account and an Abridged Balance Sheet in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 25 January 2021 and signed on its behalf by:

.....

Mr P Harbottle
Director

Elite Coffee Limited

Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

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:

Box 122

St Loyes House

20 St. Loyes Street

Bedford

Bedfordshire

MK40 1ZL

England and Wales

These financial statements were authorised for issue by the Board on 25 January 2021.

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 abridged 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 abridged 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.

Elite Coffee Limited

Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

Judgements

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' best 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 appropriate.

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 period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

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.

Tax

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Elite Coffee Limited

Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

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
Fixtures and fittings	25% on cost
Leasehold improvements	10% on cost

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% on cost
Patent	10% on cost

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.

Elite Coffee Limited

Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

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.

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.

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.

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Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

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Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

Financial instruments

Classification

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments such as loans and other accounts receivable and payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an outright short-term loan not at market rate, the financial asset or liability is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 22 (2019 - 28).

4 Loss/profit before tax

Arrived at after charging/(crediting)

	2020	2019
	£	£
Depreciation expense	197,117	89,299
Amortisation expense	9,500	4,500

Elite Coffee Limited

Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

5 Intangible assets

	Total £
Cost or valuation	
At 1 May 2019	45,000
Additions acquired separately	30,000
At 31 October 2020	75,000
Amortisation	
At 1 May 2019	13,250
Amortisation charge	9,500
At 31 October 2020	22,750
Carrying amount	
At 31 October 2020	52,250
At 30 April 2019	31,750

6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 May 2019	262,006	258,430	520,436
Additions	144,466	187,502	331,968
At 31 October 2020	406,472	445,932	852,404
Depreciation			
At 1 May 2019	97,395	101,221	198,616
Charge for the period	53,185	143,931	197,116
At 31 October 2020	150,580	245,152	395,732
Carrying amount			
At 31 October 2020	255,892	200,780	456,672
At 30 April 2019	164,611	157,209	321,820

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Notes to the Unaudited Abridged Financial Statements for the Period from 1 May 2019 to 31 October 2020

Included within the net book value of land and buildings above is £255,891 (2019 - £164,611) in respect of freehold land and buildings.

7 Stocks

	2020	2019
	£	£
Other inventories	7,989	6,803

Northampton

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the Companies Act 2006.