

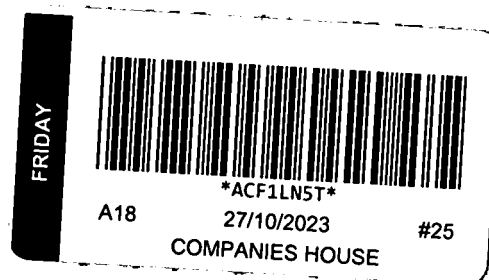
Registration number: 13005466

BBC Coffee Limited

REVISED

Annual Report and Unaudited Financial Statements

for the Period from 9 November 2020 to 31 December 2021



Aventus Partners Limited
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE

BBC Coffee Limited

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BBC Coffee Limited

Company Information

Directors	Mr D N Kochhar Mr K R V Bodiam Mr B J Goldkorn
Registered office	Adanac Business Park Adanac North, Unit E3 & E4 Adanac Drive Southampton SO16 0BT
Accountants	Aventus Partners Limited Hygeia Building Ground Floor 66-68 College Road Harrow Middlesex HA1 1BE


BBC Coffee Limited

Revision statement

These revised financial statements replace the original financial statements for the year ended 31 December 2021 which were approved by the board on 7 December 2022.

These revised financial statements are now the statutory financial statements of the Company for this period. In accordance with the Companies Act 2006, the financial statements have been revised as at the date of the original financial statements and not as at the date of this revision. Accordingly they do not deal with events between those dates.

The financial statements were revised to reflect the adjustment for the previously capitalised plant and machinery under construction amounting to £470,836. This amount has now been expensed to the profit and loss account.



Mr. D.N. Kochhar

20 September 2023

BBC Coffee Limited

Directors' Report for the Period from 9 November 2020 to 31 December 2021

The directors present their report and the unaudited financial statements for the period from 9 November 2020 to 31 December 2021.

Incorporation

The Company was incorporated on 9 November 2020.

Accounting period

The Company extended the accounting period to 31 December to bring in line with other related companies.

Strategic report exemption

This report has been prepared in accordance with the special provisions of section 381 of the Companies Act 2006 relating to small companies. The directors has taken exemption under this regime not to disclose the strategic report.

Principal activity

The principal activity of the company is that of manufacturing roasted and ground coffee, Nespresso compatible capsules, cold brew concentrates and dilutions.

Directors' of the Company

The directors, who held office during the period, were as follows:

Mr D N Kochhar (appointed 9 November 2020)

Mr B J Goldkorn (appointed 1 January 2021)

The following director was appointed after the period end:

Mr K.R.V Bodiam (appointed 20 February 2022)

Business review

Fair review of the business

The directors report a pre-tax loss of £683,486 in the current period ending 31st December 2021 as the company was in a construction phase. COVID-19 pandemic created delays in the overall construction timelines with disruption in supply chains. The directors are focused on developing fresh long-term arrangements with new customers along with completion of its construction of manufacturing facility. The directors are also determined to construct the manufacturing facility with best-in-class technology, focusing on product quality and optimum utilisation of automation.

Principal risks and uncertainties

The company, in conjunction with its parent company, has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company. The policies set out by the board and agreed with the parent company are implemented by the company's directors.

The directors monitor performance on a regular basis, using the financial information available to them for the company.

Financial instruments

Objectives and policies

Objectives and policies

The company has various financial assets and liabilities such as trade receivables and trade payables arise directly from its operations.

BBC Coffee Limited

**Directors' Report for the Period from 9 November 2020 to 31 December 2021
(continued)**

Price risk, credit risk, liquidity risk and cash flow risk

Credit risk

Credit risk is the risk that a counterparty will be unable to pay amounts when they fall due. Company plans to operate on advance payment basis on majority of its customers, hence the directors believe that the credit risk for the company is low.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing capital expenditure and future operations. The company also has access to intercompany borrowing facilities.

Foreign Currency risk

The company imports a portion of its raw material and also current capital expenditure and is therefore exposed to movement in currency exchange rate and the effects of these on the cost of its materials. The effects of these movements is monitored on weekly basis. The Company's revenue is expected to be in local currency for medium to short term, hence the directors believe that there is no currency risk in receivables.

Going concern

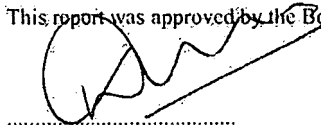
The financial statement has been prepared on a going concern basis which the directors consider to be appropriate for the following reasons:

The Company meets its day-to-day working capital requirement through cash on hand and cash generated from operations. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

This report was approved by the Board on 20 September 2023 and signed on its behalf by:



Mr D N Kochhar
Director

**Chartered Accountants' Report to the Board of Directors on the Preparation of the
Unaudited Statutory Accounts of
BBC Coffee Limited
for the Period Ended 31 December 2021**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of BBC Coffee Limited for the period ended 31 December 2021 set out on pages 6 to 25 from the Company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the board of Directors of BBC Coffee Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of BBC Coffee Limited and state those matters that we have agreed to state to them, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than BBC Coffee Limited and its board of Directors as a body for our work or for this report.

It is your duty to ensure that BBC Coffee Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of BBC Coffee Limited. You consider that BBC Coffee Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of BBC Coffee Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Aventus Partners Ltd

Aventus Partners Limited
Hygeia Building
Ground Floor
66-68 College Road
Harrow
Middlesex
HA1 1BE
20 September 2023

BBC Coffee Limited

Profit and Loss Account for the Period from 9 November 2020 to 31 December 2021

		Restated From 9 November 2020 to 31 December 2021 £
Turnover		-
Cost of sales		<u>(217,276)</u>
Gross loss		(217,276)
Administrative expenses		<u>(431,650)</u>
Operating loss	4	(648,926)
Interest payable and similar expenses	5	<u>(34,560)</u>
Loss before tax		(683,486)
Tax on loss	7	<u>294,096</u>
Loss for the period		<u><u>(389,390)</u></u>

The above results were derived from continuing operations.

There are no recognised gains and losses for the current period other than as shown in Profit and Loss account above.

BBC Coffee Limited

Statement of Comprehensive Income for the Period from 9 November 2020 to 31 December 2021

	Restated From 9 November 2020 to 31 December 2021 £
Loss for the period	<u>(389,390)</u>
Total comprehensive income for the period	<u><u>(389,390)</u></u>

BBC Coffee Limited.

**(Registration number: 13005466)
Balance Sheet as at 31 December 2021**

	Note	Restated 31 December 2021 £
Fixed assets		
Tangible assets	8	5,016,392
Right of use assets	9	<u>934,150</u>
		<u>5,950,542</u>
Current assets		
Stocks	10	336,390
Debtors	11	319,299
Cash at bank and in hand	12	66,197
Tax asset		<u>294,096</u>
		<u>1,015,982</u>
Creditors: Amounts falling due within one year		<u>(728,873)</u>
Net current assets		<u>287,109</u>
Total assets less current liabilities		<u>6,237,651</u>
Creditors: Amounts falling due after more than one year	14	<u>(6,127,041)</u>
Net assets		<u><u>110,610</u></u>
Capital and reserves		
Called up share capital	16	500,000
Retained earnings		<u>(389,390)</u>
Shareholders' funds		<u><u>110,610</u></u>

Under the Companies Act 2006, s454, on a voluntary basis, the directors can amend these financial statements if they subsequently prove to be defective;

For the financial period ending 31 December 2021 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.

The notes on pages 11 to 25 form an integral part of these financial statements.

BBC Coffee Limited

(Registration number: 13005466)

Balance Sheet as at 31 December 2021 (continued)

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the board on 20 September 2023 and signed on its behalf by:



Mr D N Kochhar
Director

BBC Coffee Limited

Statement of Changes in Equity for the Period from 9 November 2020 to 31 December 2021

	Share capital £	Retained earnings £	Restated Total £
Loss for the period	-	(389,390)	(389,390)
Total comprehensive income	-	(389,390)	(389,390)
New share capital subscribed	500,000	-	500,000
At 31 December 2021	500,000	(389,390)	110,610

Share capital: This represents the nominal value of equity shares in issue.

Retained earnings: This represents the accumulated profits and losses since inception of the business.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021

1 General information

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

The address of its registered office is:

Adanac Business Park

Adanac North, Unit E3 & E4

Adanac Drive

Southampton

SO16 0BT

United Kingdom

The financial statements were revised to reflect the adjustment for the previously incorrectly capitalised plant and machinery under construction amounting to £470,836. This amount has now been expensed to the profit and loss account.

These financial statements were authorised for issue by the Board on 20 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.

Basis of preparation

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The principal accounting policies applied by the Company in the preparation of these financial statements are set out below.

The financial statements are presented in Sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

2 Accounting policies (continued)

Financial reporting standard 101 - reduced disclosure exemptions

The company has applied disclosure exemptions available in the standard in the following areas:

- IFRS 7 disclosures regarding financial instruments;
- IFRS 13 disclosures on fair values;
- IFRS 15 disclosures regarding revenue from contracts with customers;
- IFRS 16 disclosures regarding leases;
- IAS 1 requirement to disclose the company's objectives, policies and processes for managing capital;
- IAS 7 requirement to produce a statement of cash flows and related notes;
- IAS 8 requirement to disclose information about the impact of standards not yet effective;
- IAS 24 requirement to disclose related party transactions;
- IAS 36 impairment of assets.

Going concern

The financial statement has been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The Company meets its day-to-day working capital requirement through cash on hand and cash generated from operations. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

Changes to accounting policies, disclosures, standards and interpretations

(a) New and amended standards adopted by the Company

There were no new International Financial Reporting Standards that were applicable for the current reporting period that materially impacted the Company.

(b) New standards not yet adopted

There are no new International Financial Reporting Standards and Interpretations issued but not effective for the reporting period ending 31 December 2021 that will materially impact the Company.

None of the standards, interpretations and amendments effective for the first time from 9 November 2020 have had a material effect on the financial statements.

Foreign currency transactions and balances

In preparing the Financial Statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences arising, if any, are recognised in profit or loss.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

2. Accounting policies (continued)

Tax

Tax expense represents the sum of the tax currently payable and any deferred tax. The taxable result differs from the net result as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill, or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised.

Deferred tax is charged or credited to the statement of comprehensive income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Tangible assets

Tangible assets is 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
Right of Use assets	Over 10 years straight line basis
Leaschold property	Over 20 years straight line basis
Plant and machinery	Over 10 to 20 years straight line basis
Office equipment	Over 5 years straight line basis

No depreciation is provided until the Company generates revenue and assets are available for use.

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 changes in value.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

2 Accounting policies (continued)

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets.

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 Trade debtors.

Stocks

Stocks are stated at the lower of cost and net realisable value. 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 Stocks to their present location and condition. At each reporting date, Stocks are assessed for impairment. If Stock is 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 payables

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 payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, 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

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. 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 finance costs.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

2 Accounting policies (continued)

Leases

At inception of the contract, the company assesses whether a contract is, or contains, a lease. It recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The right-of-use assets and the lease liabilities are presented as separate line items in the statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate. It is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. The lease liability is not remeasured for qualifying rent concessions occurring as a direct consequence of the Covid-19 pandemic. These concessions are credited to the profit or loss account.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, plus lease payments made on or before the commencement day, less any lease incentives received and plus any initial direct costs.

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 separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Financial instruments

Initial recognition

Financial assets and liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument. The Company currently does not use derivative financial instruments to manage or hedge financial exposures or liabilities.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

2 Accounting policies (continued)

Classification and measurement

Financial assets at amortised cost

The financial assets currently held by the Company are classified as financial assets held at amortised cost. These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment under the expected credit loss model.

The expected credit loss is calculated as a function of the probability of default (PD), the exposure at default (EAD) and the loss given default (LGD). The amount of the expected credit loss is measured as the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that are expected to be received (i.e. all cash shortfalls), discounted at the original effective interest rate (EIR).

The carrying amount of the asset is reduced through use of allowance account and recognition of the loss in the Statement of Comprehensive Income. Allowances for credit losses on financial assets are assessed collectively. Collectively assessed impairment allowances cover credit losses inherent in portfolios of financial assets with similar credit risk characteristics when there is objective evidence to suggest that they contain impaired financial assets, but the individual impaired items cannot yet be identified.

Financial liabilities at amortised cost

The Company classifies its financial liabilities into one category, being other financial liabilities measured at amortised cost.

The Company's accounting policy for the other financial liabilities category is as follows:

Trade payables and other short-term monetary liabilities are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. All interest and other borrowing costs incurred in connection with the above are expensed as incurred and reported as part of financing costs in profit or loss.

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the asset and substantially all the risk and rewards of ownership of the asset to another entity.

Financial liabilities

The Company derecognises financial liabilities when, and only when, the obligations are discharged, cancelled or they expire.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

Amounts included in the financial statements involve the use of judgement and/or estimation. These estimates and judgements are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements.

Judgements

The assessment of whether costs incurred should be capitalised or expensed involves judgement. Any expenditure where it is not probable that future economic benefits will flow to the Company are expensed. Management considers the nature of the costs incurred and the stage of project development and concludes whether it is appropriate to capitalise the costs. The key assumptions depend on whether it is probable that the expenditure will result future economic benefits that are attributable to the assets.

Estimates

The assessment of capitalised project costs for any indications of impairment involves judgement. When facts or circumstances suggest that impairment exists, a formal estimate of recoverable amount is performed, and an impairment loss recognised to the extent that the carrying amount exceeds recoverable amount. Recoverable amount is determined to be the higher of fair value less costs to sell and value in use. The key assumptions are the net income expected to be generated from the facilities, the cost of construction and the date from which the facilities become operational.

Valuation of assets

Management make judgements in respect of the valuation and carrying value of assets used in operations. At the period end management made a judgement that the basis for revaluations remained and that on the basis on future expected work there were no indications of impairment.

4 Operating loss

Arrived at after charging:

	From 9 November 2020 to 31 December 2021 £
Depreciation expense	128,096
Foreign exchange gains	<u>3,462</u>

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

5 Interest payable and similar expenses

	From 9 November 2020 to 31 December 2021 £
Interest on bank overdrafts and borrowings	60
Interest expense on leases - Right of use	34,500
	<u>34,560</u>

6 Staff costs

The aggregate payroll costs (including Directors' remuneration) were as follows:

	Restated From 9 November 2020 to 31 December 2021 £
Wages and salaries	110,604
Social security costs	10,535
Pension costs, defined contribution scheme	745
Other employee expense	8,574
	<u>130,458</u>

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	From 9 November 2020 to 31 December 2021 No.
Administration and support	4
	<u>4</u>

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

7 Income tax

Tax charged/(credited) in the profit and loss account

**Restated
From 9
November 2020
to
31 December
2021
£**

Deferred taxation

Arising from origination and reversal of temporary differences

(294,096)

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (- the same as the standard rate of corporation tax in the UK) of 19% (2020: 19%).

The differences are reconciled below:

**Restated
From 9
November 2020
to
31 December
2021
£**

Loss before tax

(683,486)

Corporation tax at standard rate

(129,862)

Decrease from effect of capital allowances depreciation

(73,805)

Increase from effect of expenses not deductible in determining taxable profit (tax loss)

383

Increase from effect of unrelieved tax losses carried forward

286,545

Decrease from effect of adjustment in research development tax credit

(83,261)

Total tax charge/(credit)

-

No tax charge or credit arises in 2021 due to expenses not permitted for tax purposes and losses carried forward.

Factors that may affect the future tax charge

The Company has trading losses of £1,508,131 which may reduce future tax charges. Future tax charges may also be reduced by capital allowances on cumulative capital expenditure.

No balance is recognised due to the uncertainty of future results.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

7 Income tax (continued)

Deferred tax

Deferred tax assets and liabilities:

	Asset £	Liability £	Net deferred tax £
2021			
Accelerated tax depreciation	-	(82,937)	(82,937)
Tax losses carry-forwards	377,033	-	377,033
	<u>377,033</u>	<u>(82,937)</u>	<u>294,096</u>

Deferred tax movement during the period:

	At 9 November 2020 £	Recognised in income £	At 31 December 2021 £
Accelerated tax depreciation	-	(82,937)	(82,937)
Tax losses carry-forwards	-	377,033	377,033
	<u>-</u>	<u>294,096</u>	<u>294,096</u>

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

8 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Restated Plant and machinery under construction £	Plant and equipment £	Restated Total £
Cost or valuation					
Additions	212,141	166,646	4,548,941	112,965	5,040,693
At 31 December 2021	212,141	166,646	4,548,941	112,965	5,040,693
Depreciation					
Charge for the period	5,133	11,106	-	3,062	24,301
At 31 December 2021	5,133	11,106	-	3,062	24,301
Carrying amount					
At 31 December 2021	207,008	155,540	4,548,941	104,903	5,016,392

Included within the net book value of land and buildings above is £207,008 in respect of short leasehold land and buildings.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

9 Right of use assets

	Property £
Cost or valuation	
Additions	1,037,945
At 31 December 2021	1,037,945
Depreciation	
Charge for the	103,795
At 31 December 2021	103,795
Carrying amount	
At 31 December 2021	934,150

10 Stocks

	31 December 2021 £
Raw materials	24,004
Packaging materials	312,386
	336,390

11 Trade and other debtors

	31 December 2021 £
Other debtors	266,513
Prepayments	9,034
Accrued income	43,752
	319,299

12 Cash at bank and in hand

	31 December 2021 £
Cash at bank	66,197

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

13 Creditors: amounts falling due within one year

		31 December 2021
	Note	£
Trade creditors		632,844
Outstanding defined contribution pension costs	17	1,738
Lease liability - right of use	14	85,505
Accrued expenses		<u>8,786</u>
		<u>728,873</u>

14 Loans and borrowings

		31 December 2021
	Note	£
Non-current loans and borrowings		
Lease liability - right of use		901,435
Loans from related parties	18	<u>5,225,606</u>
		<u>6,127,041</u>
		31 December 2021
		£
Current loans and borrowings		
Lease liability - right of use		<u>85,505</u>

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

15 Leases

Leases included in creditors

Right of use - Lease liabilities maturity analysis

A maturity analysis of lease liabilities based on undiscounted gross cash flow is reported in the table below:

	31 December 2021 £
Less than one year	89,076
2 years	93,177
3 years	104,414
4 years	109,218
5 years	114,215
6 years	119,453
7 years	124,893
8 years	130,620
9 years	101,874
Total lease liabilities (undiscounted)	<u>986,940</u>

Total cash outflows related to leases

Total cash outflows related to leases are presented in the table below:

	31 December 2021 £
Payment	
Right of use assets	<u>85,505</u>

16 Share capital

Allotted, called up and fully paid shares

	31 December 2021 No.	£
Ordinary shares of £10 each	<u>50,000</u>	<u>500,000</u>

Authorised share capital

The Company's articles do not specify an authorised share capital.

BBC Coffee Limited

Notes to the Unaudited Financial Statements for the Period from 9 November 2020 to 31 December 2021 (continued)

17 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £745.

Contributions totalling £1,738 were payable to the scheme at the end of the period and are included in creditors.

18 Related party transactions

The company received loans totalling £5,225,606 from fellow group undertakings. The unsecured interest free loans are repayable on demand.

19 Parent and ultimate controlling party

The company's parent is Beacon Holdings Asset Limited. These financial statements are available upon request from:

P.O. Box 80962

Dubai

United Arab Emirates

There is no one controlling party.