

ARABICA BOROUGH LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 30 SEPTEMBER 2017

ARABICA BOROUGH LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	4	159,526	205,944
		<u>159,526</u>	<u>205,944</u>
Current assets			
Stocks	5	15,837	26,652
Debtors: amounts falling due within one year	6	155,137	141,226
Cash at bank and in hand	7	350,968	144,734
		<u>521,942</u>	<u>312,612</u>
Creditors: amounts falling due within one year	8	(580,860)	(523,540)
Net current liabilities		<u>(58,918)</u>	<u>(210,928)</u>
Total assets less current liabilities		<u>100,608</u>	<u>(4,984)</u>
Creditors: amounts falling due after more than one year	9	-	(73,714)
Net assets/(liabilities)		<u><u>100,608</u></u>	<u><u>(78,698)</u></u>
Capital and reserves			
Called up share capital		1,000	1,000
Profit and loss account		99,608	(79,698)
		<u><u>100,608</u></u>	<u><u>(78,698)</u></u>

ARABICA BOROUGH LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 SEPTEMBER 2017

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 June 2018.

James Paul Walters

Director

The notes on pages 3 to 9 form part of these financial statements.

ARABICA BOROUGH LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2017

1. General information

Arabica Borough Limited is a limited company registered in England and Wales with the registration number 08462221. The registered office address is 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.4 Finance costs

Finance costs are charged to the Statement of income and retained earnings over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

ARABICA BOROUGH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

2.7 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

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.

2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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NOTES TO THE FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.11 Financial instruments (continued)

3. Employees

Staff costs were as follows:

The average monthly number of employees, including directors, during the year was 37 (2016 - 25).

4. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 October 2016	348,680	119,796	468,476
Additions	611	6,147	6,758
At 30 September 2017	349,291	125,943	475,234
Depreciation			
At 1 October 2016	192,596	69,936	262,532
Charge for the year on owned assets	39,174	14,002	53,176
At 30 September 2017	231,770	83,938	315,708
Net book value			
At 30 September 2017	<u>117,521</u>	<u>42,005</u>	<u>159,526</u>
At 30 September 2016	<u>156,084</u>	<u>49,860</u>	<u>205,944</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Stocks

	2017 £	2016 £
Raw materials and consumables	15,837	26,652
	<u>15,837</u>	<u>26,652</u>

6. Debtors

	2017 £	2016 £
Trade debtors	45,008	31,212
Amounts owed by group undertakings	42,798	2,210
Other debtors	36,464	74,439
Prepayments and accrued income	30,867	33,365
	<u>155,137</u>	<u>141,226</u>

7. Cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	350,968	144,734
	<u>350,968</u>	<u>144,734</u>

8. Creditors: Amounts falling due within one year

	2017 £	2016 £
Bank loans	73,714	75,428
Trade creditors	84,695	80,884
Amounts owed to group undertakings	200,000	200,000
Other taxation and social security	95,571	57,220
Other creditors	99,272	98,008
Accruals and deferred income	27,608	12,000
	<u>580,860</u>	<u>523,540</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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9. Creditors: Amounts falling due after more than one year

	2017 £	2016 £
Bank loans	-	73,714
	<u>-</u>	<u>73,714</u>

10. Loans

Analysis of the maturity of loans is given below:

	2017 £	2016 £
Amounts falling due within one year		
Bank loans	73,714	75,428
	<u>73,714</u>	<u>75,428</u>
Amounts falling due 1-2 years		
Bank loans	-	73,714
	<u>-</u>	<u>73,714</u>
	<u>73,714</u>	<u>149,142</u>

11. Financial instruments

	2017 £	2016 £
Financial assets		
Financial assets measured at fair value through profit or loss	<u>350,968</u>	<u>144,734</u>

Financial assets measured at fair value through profit or loss comprise bank balances.

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise....

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Related party transactions

During the year, the company received products and services from The Arabica Food & Spice Company Limited, a company owned by the directors. As at the balance sheet date the balance owed by/(to) The Arabica Food & Spice Company Limited was £18,021 (2016:£11,940).

An amount of £24,777 (2016:£14,150) was owed by The Arabica Food and Spice Retail Company Limited, owned by The Arabica Food and Spice Company Limited.

The company received management and accountancy services from J Walters & Co Limited amounting to £36,000 (2016: £36,000), a company controlled by James Paul Walters, a director.

13. Controlling party

The company is controlled by James Walters.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

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.