

Company registration number: 08881721

Premier Chocolate Limited
Unaudited financial statements
31 March 2016



Premier Chocolate Limited

Company information

Director	Helgi Mar Gislason Esq
Company registered	England and Wales
Company number	08881721
Company status	Private company limited by shares
Registered office	54 South Molton Street Guru House London W1K 5SG
Accountants	Nicholas & Walters Limited 35 Sherwood Street Warsop Mansfield Notts NG20 0JR

Premier Chocolate Limited

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Premier Chocolate Limited

**Chartered accountants report to the directors on the preparation of the
unaudited statutory financial statements of Premier Chocolate Limited
Year ended 31 March 2016**

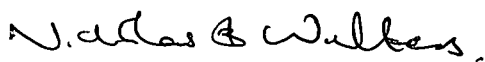
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Premier Chocolate Limited for the year ended 31 March 2016 which comprise the statement of financial position, statement of changes in equity and related notes from 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, we are subject to its ethical and other professional requirements which are detailed at icaew.com/regulations.

This report is made solely to the directors of Premier Chocolate 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 financial statements of Premier Chocolate Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with AAF 02/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Premier Chocolate Limited and its directors as a body for our work or for this report.

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

We have not been instructed to carry out an audit or a review of the financial statements of Premier Chocolate 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 financial statements.



Nicholas & Walters Limited
Chartered Accountants
35 Sherwood Street
Warsop
Mansfield
Notts
NG20 0JR

Date: 10 February 2017

Premier Chocolate Limited

**Statement of financial position
31 March 2016**

	Note	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	7	<u>1,563,248</u>		<u>892,892</u>	
			1,563,248		892,892
Current assets					
Stocks	8	277,707		11,702	
Debtors	9	345,400		321,234	
Cash at bank and in hand		<u>23,280</u>		<u>23,211</u>	
		646,387		356,147	
Creditors: amounts falling due within one year	10	<u>(654,013)</u>		<u>(160,452)</u>	
Net current (liabilities)/assets			(7,626)		195,695
Total assets less current liabilities			1,555,622		1,088,587
Creditors: amounts falling due after more than one year	11		(955,478)		(762,979)
Provisions for liabilities	14		(86,987)		-
Net liabilities			<u>513,157</u>		<u>325,608</u>
Capital and reserves					
Called up share capital	15		100		100
Revaluation reserve	16		703,245		378,150
Profit and loss account	16		<u>(190,188)</u>		<u>(52,642)</u>
Shareholders funds			<u>513,157</u>		<u>325,608</u>

For the year ending 31 March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The notes on pages 5 to 12 form part of these financial statements.

Premier Chocolate Limited

Statement of financial position (continued)
31 March 2016

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 10 February 2017, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to be 'Helgi Mar Gislason', written in a cursive style.

Helgi Mar Gislason Esq
Director

Company registration number: 08881721

The notes on pages 5 to 12 form part of these financial statements.

Premier Chocolate Limited

**Statement of changes in equity
Year ended 31 March 2016**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total £
At 1 April 2014	100	378,150	-	378,250
Loss for the year			(52,642)	(52,642)
Total comprehensive income for the year	-	-	(52,642)	(52,642)
At 31 March 2015	100	378,150	(52,642)	325,608
Loss for the year			(137,546)	(137,546)
Other comprehensive income for the year:				
Revaluation of tangible assets		325,095		325,095
Total comprehensive income for the year	-	325,095	(137,546)	187,549
At 31 March 2016	100	703,245	(190,188)	513,157

Premier Chocolate Limited

Notes to the financial statements Year ended 31 March 2016

1. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer, usually on despatch of the goods; the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Premier Chocolate Limited

Notes to the financial statements (continued) Year ended 31 March 2016

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	5%	straight line
Plant and machinery	-	10%	reducing balance
Fittings fixtures and equipment	-	15%	reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

The director has decided to change the depreciation policy of the plant and machinery in use by the company from 20% reducing balance to 10% reducing balance. This is due to the purchase of additional machinery which has a long life expectancy coupled with the company's long term plan to continue to develop the production equipment and also the company will maintain the plant and equipment to a high level to lengthen the life expectancy of the machinery in use rather than purchase new machinery. The depreciation policy relating to the fixtures and fittings has also been reduced from 20% reducing balance to 15% reducing balance to reflect the average life in use of the fixtures purchased and the fixtures held at the start of the financial year.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Premier Chocolate Limited

Notes to the financial statements (continued) Year ended 31 March 2016

Hire purchase and finance leases

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

3. Turnover

Turnover arises from:

	2016	2015
	£	£
Sale of goods	1,289,780	306,838
Rendering of services	4,219	-
	<u>1,293,999</u>	<u>306,838</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

4. Other operating income

	2016	2015
	£	£
Other operating income	<u>18,117</u>	<u>-</u>

Premier Chocolate Limited

Notes to the financial statements (continued)
Year ended 31 March 2016

5. Interest payable and similar charges

	2016	2015
	£	£
Bank loans and overdrafts	3,989	1
Other interest payable and similar charges	10,500	6,266
	<u>14,489</u>	<u>6,267</u>

6. Tax on (loss) on ordinary activities

Major components of tax expense

	2016	2015
	£	£
Deferred tax:		
Origination and reversal of timing differences	86,987	-
Tax on (loss) on ordinary activities	<u>86,987</u>	<u>-</u>

Reconciliation of tax expense

The tax assessed on the (loss) on ordinary activities for the year is higher than (2015: higher than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

A reconciliation is given below:

	2016	2015
	£	£
Loss on ordinary activities before taxation	<u>(50,559)</u>	<u>(52,642)</u>
Loss on ordinary activities by rate of tax	(10,112)	(10,528)
Effect of capital allowances and depreciation	(118,749)	(99,394)
Unrelieved tax losses	102,525	109,922
Adjustment from previous period	48,304	-
Revaluation of assets	65,019	-
Tax on (loss) on ordinary activities	<u>86,987</u>	<u>-</u>

Premier Chocolate Limited

Notes to the financial statements (continued)
Year ended 31 March 2016

7. Tangible assets

	Freehold property	Plant and machinery	Fixtures, fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2015	446,744	468,450	28,519	943,713
Additions	-	348,980	76,136	425,116
Revaluation	-	325,095	-	325,095
At 31 March 2016	<u>446,744</u>	<u>1,142,525</u>	<u>104,655</u>	<u>1,693,924</u>
Depreciation				
At 1 April 2015	-	47,894	2,927	50,821
Charge for the year	22,339	42,056	15,460	79,855
At 31 March 2016	<u>22,339</u>	<u>89,950</u>	<u>18,387</u>	<u>130,676</u>
Carrying amount				
At 31 March 2016	<u>424,405</u>	<u>1,052,575</u>	<u>86,268</u>	<u>1,563,248</u>
At 31 March 2015	<u>446,744</u>	<u>420,556</u>	<u>25,592</u>	<u>892,892</u>

Tangible assets held at valuation

Freehold Property purchased in November 2014 was revalued to market value during the year ended 31 March 2015 by the RICS Surveyors, Commercial Property Real Estates Limited.

Plant and Machinery purchased July 2014 at a cost of £277,750 was revalued during the year ended 31 March 2015 by the directors who consider their value in use and separated re-sale value to be much higher at £468,450.

Plant and machinery assets were purchased on 31 March 2016 at below market value from a company in administration and were revalued in the accounts on this date to the market values set out by John Tallon & Associates. As these assets were purchased on 31 March, 2016 no depreciation was charged in the period. The revaluation amounts are disallowed for tax purposes.

In respect of tangible assets held at valuation, the comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property	Plant and machinery
	£	£
At 31 March 2016	<u>279,294</u>	<u>626,730</u>
At 31 March 2015	<u>279,294</u>	<u>277,750</u>

Premier Chocolate Limited

Notes to the financial statements (continued)
Year ended 31 March 2016

Obligations under finance leases

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery
	£
At 31 March 2016	189,000
	<u> </u>
At 31 March 2015	-
	<u> </u>

8. Stocks

	2016	2015
	£	£
Finished goods	<u>277,707</u>	<u>11,702</u>

9. Debtors

	2016	2015
	£	£
Trade debtors	250,877	277,119
Prepayments and accrued income	94,523	12,841
Other debtors	-	31,274
	<u>345,400</u>	<u>321,234</u>

10. Creditors: amounts falling due within one year

	2016	2015
	£	£
Bank loans and overdrafts	13,730	-
Trade creditors	442,585	101,771
Accruals and deferred income	4,314	10,409
Social security and other taxes	125,314	42,121
Obligations under finance leases	47,250	-
Director loan accounts	20,820	-
Other creditors	-	6,151
	<u>654,013</u>	<u>160,452</u>

The bank overdrafts / loans / debentures are secured by a fixed and floating charge over the assets and property of the company.

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Notes to the financial statements (continued)
Year ended 31 March 2016

11. Creditors: amounts falling due after more than one year

	2016	2015
	£	£
Bank loans and overdrafts	120,600	140,000
Obligations under finance leases	141,750	-
Other creditors	693,128	622,979
	<u>955,478</u>	<u>762,979</u>

12. Obligations under finance leases and hire purchase contracts

Company lessee

The total future minimum lease payments under hire purchase and finance lease agreements are as follows:

	2016	2015
	£	£
Not later than 1 year	(47,250)	-
Later than 1 year and not later than 5 years	(141,750)	-
	<u>(189,000)</u>	<u>-</u>
Present value of minimum lease payments	<u>(189,000)</u>	<u>-</u>

13. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2016	2015
	£	£
Included in provisions (note 14)	86,987	-
	<u>86,987</u>	<u>-</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2016	2015
	£	£
Accelerated capital allowances	86,987	-
	<u>86,987</u>	<u>-</u>

Premier Chocolate Limited

Notes to the financial statements (continued)
Year ended 31 March 2016

14. Provisions

	Deferred tax (note 13) £
At 1 April 2015	-
Additions	86,987
At 31 March 2016	<u>86,987</u>

15. Called up share capital
Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares of £ 1.00 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

16. Reserves

Revaluation reserve:

This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income.

17. Related party transactions

ABC Holdco Limited, a shareholder of the company has loaned the company £255,480 during the year. The closing balance owed to ABC Holdco Limited was £323,389 (2015 - 67,910).

18. Controlling party

The ultimate controlling party was H M Gislason, Esq. a director, due to their direct and indirect shareholding of the company.

19. Average number of employees

During the year the average number of employees was 29.

20. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 April 2014.

Reconciliation of equity

No transitional adjustments were required.

Reconciliation of profit or loss for the year

No transitional adjustments were required.