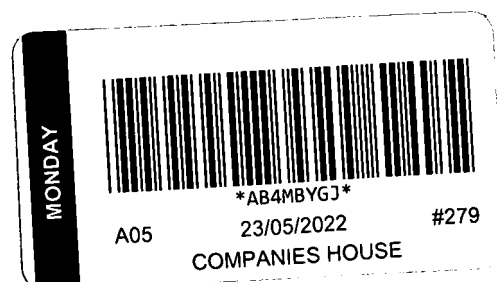


COMPANY REGISTRATION NUMBER: 06752362

Icoffee Limited
Filleted Abridged Financial Statements
30 September 2021



Icoffee Limited
Abridged Financial Statements
Year Ended 30 September 2021

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Icoffee Limited
Officers and Professional Advisers

The board of directors	Mr B C Patel Mrs M B Patel
Company secretary	Mrs M B Patel
Registered office	QFM House 10 Brightside Lane Sheffield England S9 3YE
Auditor	MCABA Limited t/a Mitchells Chartered Accountants & Statutory Auditor 91-97 Saltergate Chesterfield Derbyshire S40 1LA
Bankers	HSBC Unit 4, Europa Court Sheffield Business Park Sheffield S9 1XE
Solicitors	Freeths LLP Cumberland Court 80 Mount Street Nottingham Nottinghamshire NG1 6HH

Icoffee Limited
Abridged Statement of Financial Position
30 September 2021

	Note	2021 £	2020 £
Fixed Assets			
Intangible assets	5	662,794	784,309
Tangible assets	6	1,019,328	1,306,974
		<u>1,682,122</u>	<u>2,091,283</u>
Current Assets			
Stocks		30,067	47,980
Debtors		568,240	448,572
Cash at bank and in hand		1,123,612	18,646
		<u>1,721,919</u>	<u>515,198</u>
Creditors: amounts falling due within one year		<u>2,592,967</u>	<u>1,924,645</u>
Net Current Liabilities		871,048	1,409,447
Total Assets Less Current Liabilities		811,074	681,836
Creditors: amounts falling due after more than one year		621,426	621,425
Provisions			
Other provisions		–	3,205
Net Assets		<u>189,648</u>	<u>57,206</u>
Capital and Reserves			
Called up share capital	9	2	2
Profit and loss account		189,646	57,204
Shareholders Funds		<u>189,648</u>	<u>57,206</u>

These abridged financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the abridged statement of income and retained earnings has not been delivered.

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

All of the members have consented to the preparation of the abridged statement of income and retained earnings and the abridged statement of financial position for the year ending 30 September 2021 in accordance with Section 444(2A) of the Companies Act 2006.

The abridged statement of financial position
continues on the following page.

The notes on pages 4 to 9 form part of these abridged financial statements.

Icoffee Limited

Abridged Statement of Financial Position *(continued)*

30 September 2021

These abridged financial statements were approved by the board of directors and authorised for issue on 7 April 2022, and are signed on behalf of the board by:



Mr B C Patel
Director

Company registration number: 06752362

The notes on pages 4 to 9 form part of these abridged financial statements.

Icoffee Limited

Notes to the Abridged Financial Statements

Year Ended 30 September 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is QFM House, 10 Brightside Lane, Sheffield, S9 3YE, England.

2. Statement of compliance

These abridged financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

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

Accounting reference date

The company has taken advantage of the provisions in section 390 of the Companies Act 2006 which allow the company to make accounts up to a date within seven days of the accounting reference date. The company operates its management reporting in four weekly periods and consequently these financial statements are made up to the 3rd October 2021 (2020: 4th October 2020).

Going concern

The directors have prepared the accounts on the going concern basis on the understanding that the parent company will continue to support its subsidiary for at least the next twelve months from the date of signing of these financial statements and the group will have ongoing support from its bankers.

At the date of approval of these financial statements the global pandemic COVID-19 continues to pose a risk to all businesses around the globe, not least of all in the hospitality industry. The company has seen the impact of the pandemic during the financial year, however it has shown resilience to continue to trade and adapt its provision to suit the changing market.

The UK government continued to support SMEs through various measures, which the company has benefitted from during the year. Management have provided the relevant forecasts for the next 2 years, showing that the company and wider group can maintain profits and continue to grow and, as such, the Directors are confident of the company's ability to continue as a going concern.

It is recognised that until the hospitality industry fully recovers from the pandemic, that there continues to be a risk that certain stores are, or will become impaired; where these can be fairly quantified, management have provided for this in the current statements, however they also continue to review these on an ongoing basis.

Icoffee Limited

Notes to the Abridged Financial Statements *(continued)*

Year Ended 30 September 2021

3. Accounting policies *(continued)*

Government grants

Government and local authority grants are recognised at the fair value of the income received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Revenue recognition

Turnover represents the value of goods sold, net of Value Added Tax.

Exceptional items

Exceptional items are material and non-recurring items. These are disclosed separately on the face of the income statement to reflect performance in a consistent manner, in line with how the business is managed and measured on a day-to-day basis.

Income tax

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered 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 that have originated but not reversed at the reporting date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted by the reporting date.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	10% straight line
Franchise fees	-	Over the length of the contract

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

Icoffee Limited

Notes to the Abridged Financial Statements *(continued)*

Year Ended 30 September 2021

3. Accounting policies *(continued)*

Tangible assets

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

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:

Leasehold property	- Over the life of the lease
Plant and machinery	- 15% straight line

Impairment of fixed assets

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.

Stocks

Stock is valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis.

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 abridged 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 as a finance cost in profit or loss in the period it arises.

Financial instruments

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other administrative expenses.

Icoffee Limited

Notes to the Abridged Financial Statements *(continued)*

Year Ended 30 September 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 135 (2020: 153).

5. Intangible assets

	£
Cost	
At 1 October 2020	1,292,187
Disposals	(26,385)
At 30 September 2021	1,265,802
Amortisation	
At 1 October 2020	507,878
Charge for the year	118,361
Disposals	(23,231)
At 30 September 2021	603,008
Carrying amount	
At 30 September 2021	662,794
At 30 September 2020	784,309

6. Tangible assets

	£
Cost	
At 1 October 2020	4,182,004
Additions	279,078
Disposals	(1,319,108)
At 30 September 2021	3,141,974
Depreciation	
At 1 October 2020	2,875,030
Charge for the year	410,320
Disposals	(1,162,704)
At 30 September 2021	2,122,646
Carrying amount	
At 30 September 2021	1,019,328
At 30 September 2020	1,306,974

Icoffee Limited

Notes to the Abridged Financial Statements *(continued)*

Year Ended 30 September 2021

7. Contingent liabilities

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank overdrafts	–	515,164

The bank holds, as security, a fixed charge and a floating debenture over the company's assets in respect of any amounts drawn down on group borrowing facilities and the cross guarantee.

The company's bankers hold an unlimited composite guarantee dated 11 April 2019 between this company and Intracave Limited, Fieldrose Limited, Mulcroft Limited, S.P.Q. Ltd., Northgate Fast Food Limited, QFM-PH Ltd, Queenscourt Limited, Readywell Limited, Chicken Villas Limited, QFM Fitness Ltd, Tanaan Holdings Limited, Icoffee - Rhyl Limited (formerly QFM Newco 1 Limited), Icoffee - Selby Limited (formerly QFM Newco 2 Limited) and Icoffee - Tunstall Limited (formerly QFM Newco 3 Limited).

The bank also holds security over certain shares held by the directors.

The total net sum due to the bank by all parties to the guarantee amounted to £23,683,108 (2020: £29,087,121) at the balance sheet date.

8. Provisions

Provisions is made up of onerous leases relating to properties which have been vacated and are due to incur further rental charges without the company acquiring any financial benefits from these costs. They have been recognised in full up to the end of the lease, or any break clause that is present.

9. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

10. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	496,572	492,033
Later than 1 year and not later than 5 years	464,281	865,504
Later than 5 years	<u>4,822</u>	<u>46,677</u>
	<u>965,675</u>	<u>1,404,214</u>

Icoffee Limited

Notes to the Abridged Financial Statements *(continued)*

Year Ended 30 September 2021

11. Summary audit opinion

The auditor's report for the year dated 7 April 2022 was unqualified.

The senior statutory auditor was Andrew McDaid BFP ACA FCCA, for and on behalf of MCABA Limited t/a Mitchells.

12. Related party transactions

The company has taken advantage of exemption conferred by FRS 102 S33.1A, removing the requirement to disclose transactions between wholly owned group members.

During the year the company provided and received loans from related parties. The balances at 30 September 2021 were as follows:

	2021	2020
	£	£
Amounts owed to entities holding a controlling interest	2,350,331	1,000,000
Amounts owed to entities holding a controlling interest due in over 1 year	621,426	621,426

As per the exceptional items note, an amount owed to group undertakings was released and discharged during the previous financial year. This resulted in £nil (2020: £1,834,794) being irrevocably waived, released and discharged by entities holding a controlling interest.

All other transactions with these and other related parties were under normal market conditions.

Details of guarantees given in respect of entities under the common control of the directors are shown in the contingent liabilities note to these accounts.

13. Ultimate parent company

The directors consider the ultimate parent company to be Fieldrose Limited, a company registered in England and Wales. Consolidated financial statements can be obtained from the company's registered address; QFM House, 10 Brightside Lane, Sheffield, England, S9 3YE.