

**Rombouts Coffee Great Britain
Limited**

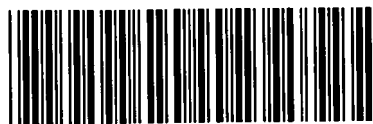
Directors' Report and Financial Statements

Year Ended

31 December 2019

Company Number 06311977

FRIDAY



A9K5IPX

A15

18/12/2020

#253

COMPANIES HOUSE

Rombouts Coffee Great Britain Limited

Company Information

Directors	X Rombouts H Rombouts
Company secretary	W Seys
Registered number	06311977
Registered office	Slough Trading Estate Yeovil Road 954 Slough Berkshire England SL1 4NH
Independent auditor	BDO LLP 31 Chertsey Street Guildford Surrey GU1 4HD

Rombouts Coffee Great Britain Limited

Contents

	Page
Directors' Report	1 - 3
Independent Auditor's Report	4 - 6
Statement of Income and Retained Earnings	7
Statement of Financial Position	8
Notes to the Financial Statements	9 - 21

Rombouts Coffee Great Britain Limited

Directors' Report For the Year Ended 31 December 2019

The directors present their report together with the audited financial statements for the year ended 31 December 2019.

Principal activity

The principal activity of the company during the year was the distribution of coffee and related products to retailers, restaurants, cafes and web consumers throughout the UK.

Post balance sheet events

The outbreak and unprecedented spread of the COVID-19 pandemic across the globe has had a profound impact on local and global markets in a matter of weeks, and is expected to continue to shape the economic landscape for the immediate future. The directors continue to monitor closely the impact of unfolding events in order to respond swiftly to any consequential implications on the business.

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the in accordance with applicable law and regulations.

Company law requires the directors to prepare for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these , the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors

The directors who served during the year were:

X Rombouts
H Rombouts

Qualifying third party indemnity provision

The group maintains appropriate Directors' and Officers' Liability insurance on behalf of the directors and General Counsel and Company Secretary. In addition, individual qualifying third-party indemnities are given to the directors and General Counsel and Company Secretary which comply with the provisions of Section 234 of the Companies Act 2006, and were in force throughout the year and up to the date of signing the Annual Report.

Rombouts Coffee Great Britain Limited

Directors' Report (continued) For the Year Ended 31 December 2019

Going concern

The statement of financial position shows the company has net current assets of £79,123 (2018: £419,371). In March 2020 the UK experienced a lockdown due to the seriousness of the Coronavirus (Covid-19) pandemic with another lockdown recently announced in November 2020. The directors have therefore performed an assessment on the company's ability to continue as a going concern.

In undertaking this assessment the directors have given consideration to all the facts and circumstances of the company and the wider group known at the date of approval of these financial statements. This included consideration of new products and new contracts alongside the strength of the group balance sheet prior to the outbreak of Covid-19 but in doing so the directors have not prepared a cash flow forecast for the company or group.

The company has made enquiries of its ultimate parent company, Koffie F.Rombouts N.V., who have confirmed they shall make available such financial resources that are necessary to enable the company to continue its normal operating activities as a going concern and to meet its financial obligations as they fall due and that they have the financial ability to support the company for at least 12 months after the date of approval of the 31 December 2019 financial statements of the company. Through making these enquiries the directors have confirmed that as at 31 December 2019 the consolidated group had net assets of EUR55m, during the Covid-19 outbreak the parent company has utilised reliefs in place in local jurisdictions including securing a facility of EUR4m of which EUR2m remains undrawn at the approval of these financial statements. With the recent announcement of a second lockdown the group demonstrated a strong control over costs with the implementation of furlough schemes on a timely basis and throughout the current and previous lockdown operating losses, predominantly caused by fixed overheads while operations ceased, were well controlled and within acceptable thresholds. The directors therefore believe the parent company is in a position to provide financial support as is required.

The company acknowledges the letter of support provided by the parent company demonstrates an intention to support the company, however, is not legally binding. Additionally, the latest consolidated management information is as at 31 December 2019 with no further consolidated information available until December 2020. Given this and the lack of company or group cashflow forecasts a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. The directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include the adjustments should the going concern basis of preparation be inappropriate.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Rombouts Coffee Great Britain Limited

Directors' Report (continued) For the Year Ended 31 December 2019

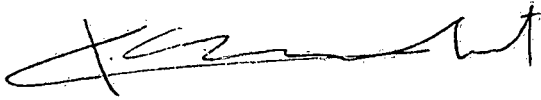
Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on 14 December 2020

and signed on its behalf.



X Rombouts
Director



Rombouts Coffee Great Britain Limited

Independent Auditor's Report to the Members of Rombouts Coffee Great Britain Limited

Opinion

We have audited the financial statements of Rombouts Coffee Great Britain Limited ("the company") for the year ended 31 December 2019 which comprise the Statement of Income and Retained Earnings, and the Statement of Financial Position, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

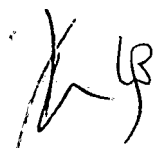
- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.2 to the financial statements, where the company acknowledges the letter of support provided by the parent company demonstrates an intention to support the company, however, is not legally binding. Additionally, the latest consolidated management information is as at 31 December 2019 with no further consolidated information available until December 2020 with the company and group not preparing cashflow forecasts. As stated in note 2.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.



Rombouts Coffee Great Britain Limited

Independent Auditor's Report to the Members of Rombouts Coffee Great Britain Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

NLS

Rombouts Coffee Great Britain Limited

Independent Auditor's Report to the Members of Rombouts Coffee Great Britain Limited (continued)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Nick Poulter (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Guildford
United Kingdom

Date: 15 December 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Rombouts Coffee Great Britain Limited

Statement of Income and Retained Earnings For the Year Ended 31 December 2019

	Note	2019 £	2018 £
Turnover		4,563,609	4,757,513
Cost of sales		(3,925,969)	(4,143,206)
Gross profit		637,640	614,307
Distribution costs		(309,041)	(411,634)
Administrative expenses		(716,059)	(820,303)
Other operating income	4	20,082	24,020
Operating loss	5	(367,378)	(593,610)
Interest payable and similar charges		(113)	-
Other finance expense		-	(5,396)
Loss before tax		(367,491)	(599,006)
Tax on loss	8	-	-
Loss after tax		(367,491)	(599,006)
Retained earnings at the beginning of the year		(1,423,897)	(824,891)
Loss for the year		(367,491)	(599,006)
Retained earnings at the end of the year		(1,791,388)	(1,423,897)

The notes on pages 9 to 21 form part of these financial statements.

Rombouts Coffee Great Britain Limited

Registered number:06311977

Statement of Financial Position As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	9	129,489	156,732
		<u>129,489</u>	<u>156,732</u>
Current assets			
Stocks	10	200,974	251,976
Debtors: amounts falling due within one year	11	704,992	792,689
Cash and cash equivalents		138,950	94,278
		<u>1,044,916</u>	<u>1,138,943</u>
Creditors: amounts falling due within one year	12	(965,793)	(719,572)
		<u>79,123</u>	<u>419,371</u>
Net current assets		<u>79,123</u>	<u>419,371</u>
Total assets less current liabilities		<u>208,612</u>	<u>576,103</u>
Net assets		<u>208,612</u>	<u>576,103</u>
Capital and reserves			
Called up share capital	14	2,000,000	2,000,000
Profit and loss account	15	(1,791,388)	(1,423,897)
		<u>208,612</u>	<u>576,103</u>

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 were approved and authorised for issue by the board and were signed on its behalf on 14 December 2020


X Rombouts
Director

The notes on pages 9 to 21 form part of these financial statements.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

1. General information

Rombouts Coffee Great Britain Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page and the nature of the company's operations and its principal activity are set out in the Directors' Report.

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 preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The statement of financial position shows the company has net current assets of £79,123 (2018: £419,371). In March 2020 the UK experienced a lockdown due to the seriousness of the Coronavirus (Covid-19) pandemic with another lockdown recently announced in November 2020. The directors have therefore performed an assessment on the company's ability to continue as a going concern.

In undertaking this assessment the directors have given consideration to all the facts and circumstances of the company and the wider group known at the date of approval of these financial statements. This included consideration of new products and new contracts alongside the strength of the group balance sheet prior to the outbreak of Covid-19 but in doing so the directors have not prepared a cash flow forecast for the company or group.

The company has made enquiries of its ultimate parent company, Koffie F.Rombouts N.V., who have confirmed they shall make available such financial resources that are necessary to enable the company to continue its normal operating activities as a going concern and to meet its financial obligations as they fall due and that they have the financial ability to support the company for at least 12 months after the date of approval of the 31 December 2019 financial statements of the company. Through making these enquiries the directors have confirmed that as at 31 December 2019 the consolidated group had net assets of EUR55m, during the Covid-19 outbreak the parent company has utilised reliefs in place in local jurisdictions including securing a facility of EUR4m of which EUR2m remains undrawn at the approval of these financial statements. With the recent announcement of a second lockdown the group demonstrated a strong control over costs with the implementation of furlough schemes on a timely basis and throughout the current and previous lockdown operating losses, predominantly caused by fixed overheads while operations ceased, were well controlled and within acceptable thresholds. The directors therefore believe the parent company is in a position to provide financial support as is required.

LB X

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.2 Going concern (continued)

The company acknowledges the letter of support provided by the parent company demonstrates an intention to support the company, however, is not legally binding. Additionally, the latest consolidated management information is as at 31 December 2019 with no further consolidated information available until December 2020. Given this and the lack of company or group cashflow forecasts a material uncertainty exists that may cast significant doubt on the group and company's ability to continue as a going concern. The directors continue to adopt the going concern basis of accounting in preparing the annual financial statements. The financial statements do not include the adjustments should the going concern basis of preparation be inappropriate.

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

Sale of goods

Turnover 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 turnover 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.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.4 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, as shown below.

Depreciation is provided on the following bases:

Plant & machinery	-	Straight line over 3 years
Fixtures & fittings	-	Straight line over 3 - 5 years
Computer equipment	-	Straight line over 3 - 5 years

Fixed assets in respect of the new premises included in fixtures and fittings are depreciated on a straight line basis over 10 years.

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.

2.5 Stocks

Stocks, which comprise finished goods for resale, are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs, which includes carriage and import duty, and an appropriate proportion of fixed and variable overheads. Net realisable value represents selling price less associated costs of sale.

2.6 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.

2.7 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.

LB JK

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.8 Financial instruments

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, 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, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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 the Statement of Income and Retained Earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.9 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.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

2.11 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.

2.12 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.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.13 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

2. Accounting policies (continued)

2.14 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the company's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- In accordance with FRS 102 the foreign exchange forward contract is a derivative financial instrument which is required to be carried at fair value, with changes in fair value being recognised in the Statement of Income and Retained Earnings. The fair value of derivatives involves the use of valuation techniques. The estimation of the fair value requires the combination of various assumptions in respect of foreign exchange movement which contain a high degree of estimation uncertainty.

Other key sources of estimation uncertainty:

- Tangible fixed assets (see note 10)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

4. Other operating income

	2019	2018
	£	£
Net rents receivable	<u>20,082</u>	<u>24,020</u>

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

5. Operating loss

The operating loss is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets	56,337	52,247
Exchange differences	158,085	47,507
Other operating lease rentals	89,005	90,824
Staff pension costs - money purchase schemes	16,641	8,303

6. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £19,350 (2018 - £19,000).

7. Employees

The average monthly number of employees, including directors, during the year was 8 (2018 - 8).

During the year, no director received any emoluments (2018 - £Nil).

The emoluments of the directors are paid by the parent company which makes no recharge to the company. The directors are directors of the parent company and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of the company. The directors' emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

8. Taxation

	2019 £	2018 £
Current tax		
Current tax on loss for the year	-	-
Taxation on loss on ordinary activities	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2018 - higher than) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	<u>(367,491)</u>	<u>(599,006)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	(69,823)	(113,811)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	976	936
Other differences leading to an increase in the tax charge	-	11,881
Deferred tax not recognised	68,847	100,994
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

At 31 December 2019, the company has available tax losses of approximately £1,846,749 (2018 - £1,516,260) to carry forward against profits of future periods. At a corporate tax rate of 17% (2018 - 17%), a deferred tax asset of £313,947 (2018 - £257,764) in relation to these losses has not been recognised as, in the short term, there is insufficient certainty over the profits against which this can be recovered. A deferred tax liability relating to fixed asset timing differences of £18,170 (2018 - £26,689) has not been recognised as, the available losses will be used to offset any tax charge when the liability would become payable.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

9. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Computer equipment £	Total £
Cost				
At 1 January 2019	126,536	150,621	18,690	295,847
Additions	23,585	1,488	4,021	29,094
Disposals	(17,746)	-	-	(17,746)
At 31 December 2019	<u>132,375</u>	<u>152,109</u>	<u>22,711</u>	<u>307,195</u>
Depreciation				
At 1 January 2019	77,433	44,560	17,122	139,115
Charge for the year	32,541	21,558	2,238	56,337
Disposals	(17,746)	-	-	(17,746)
At 31 December 2019	<u>92,228</u>	<u>66,118</u>	<u>19,360</u>	<u>177,706</u>
Net book value				
At 31 December 2019	<u>40,147</u>	<u>85,991</u>	<u>3,351</u>	<u>129,489</u>
At 31 December 2018	<u>49,103</u>	<u>106,061</u>	<u>1,568</u>	<u>156,732</u>

10. Stocks

	2019 £	2018 £
Raw materials and consumables	<u>200,974</u>	<u>251,976</u>

Stock recognised in cost of sales as an expense during the year was £3,489,037 (2018 - £3,825,259).

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

11. Debtors: amounts falling due within one year

	2019 £	2018 £
Trade debtors	665,854	694,605
Other debtors	39,138	47,132
Other taxation and social security	-	50,952
	<u>704,992</u>	<u>792,689</u>

The impairment loss recognised in profit or loss for the year in respect of bad and doubtful trade debtors was £14,789 (2018 - £36,615).

12. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	95,518	126,795
Amounts owed to group undertakings	576,630	407,631
Other taxation and social security	5,371	9,790
Other creditors	7,258	21,360
Accruals and deferred income	153,355	142,184
Financial instruments	127,661	11,812
	<u>965,793</u>	<u>719,572</u>

In February 2008, a loan of £500,000 was extended to Rombouts Coffee Great Britain Limited by their parent company, Koffie F Rombouts NV. The loan is due for repayment over the course of 10 years at £50,000 per annum. Interest on the loan is levied at 6% per annum.

All other amounts owed to group undertakings are unsecured, interest free and repayable on demand.

13. Financial instruments

	2019 £	2018 £
Financial liabilities measured at fair value through profit or loss		
Derivatives	<u>(127,661)</u>	<u>(11,812)</u>

Financial liabilities measured at fair value through profit or loss comprise foreign currency forward contracts in place at the year end.

GS X/L

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

14. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
2,000 (2018 - 2,000) ordinary shares of £1,000 each	<u>2,000,000</u>	<u>2,000,000</u>

15. Reserves

The company's reserves are as follows:

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

16. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £16,641 (2018 - £8,303). Contributions totalling £Nil (2018 - £Nil) were payable to the fund at the reporting date and are included in creditors.

17. Commitments under operating leases

At 31 December 2019 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Not later than 1 year	91,771	80,826
Between 1-2 years	91,771	91,771
Between 2-5 years	167,984	189,960
	<u>351,526</u>	<u>362,557</u>

18. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Rombouts Coffee Great Britain Limited

Notes to the Financial Statements For the Year Ended 31 December 2019

19. Post balance sheet events

The outbreak and unprecedented spread of the COVID-19 pandemic across the globe has had a profound impact on local and global markets in a matter of weeks, and is expected to continue to shape the economic landscape for the immediate future. The directors continue to monitor closely the impact of unfolding events in order to respond swiftly to any consequential implications on the business.

20. Controlling party

The immediate and ultimate parent company is Koffie F. Rombouts NV, a company incorporated in Belgium. Koffie F. Rombouts NV is the largest and smallest group for which consolidated accounts are produced. The group's financial statements can be obtained by contacting the company secretary at Koffie F. Rombouts NV, Antwerpsesteenweg 136. B-2630 Aartselaar, Belgium.

The ultimate controlling party is Hugo Rombouts.

UB XH