REGISTERED NUMBER: 04370310 (England and Wales)

Strategic Report, Report of the Director and

Financial Statements for the Year Ended 31 March 2023

for

Cooldelight Desserts Limited

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Cooldelight Desserts Limited

Company Information
for the Year Ended 31 March 2023

DIRECTOR:	S W Binns
SECRETARY:	Mrs L S Lever
REGISTERED OFFICE:	7 Carr Bank Lodge Ramsbottom Lane Ramsbottom Bury BL0 9DJ
REGISTERED NUMBER:	04370310 (England and Wales)
AUDITORS:	Barlow Andrews LLP Chartered Accountants, Statutory Auditor Carlyle House 78 Chorley New Road Bolton

Strategic Report
for the Year Ended 31 March 2023

The director presents his strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS

The Company's turnover for the year increased by £4,819,789 to £19,521,662 from £14,701,873 in the year ended 31 March 2022. This increase was as a result of the Company's continued investment in new equipment and technology. The increase in turnover was reflected in an increase in profit before tax for the year from £862,223 in 2022 to £1,049,122 in 2023.

The company's gross profit margin for the year was 12.7% down from 13.0% in 2022, it's net profit margin decreased to 5.4% in the year from 5.9% in 2022.

The Company continues to have a healthy balance sheet with net assets increasing during the year to £1,861,118 up £503,652 on the net assets at 31 March 2022 which were £1,357,466.

The director is confident that the company will continue to expand in the coming year and expects turnover and net profit to increase accordingly.

PRINCIPAL RISKS AND UNCERTAINTIES

The company faces a number of business risks and uncertainties.

The principal risk to which the company is exposed is liquidity, however this is managed on a day to day basis by the director to ensure sufficient funds are available to meet it's liabilities as they fall due and to enable them to take advantage of any expansion opportunities that may arise. There has been no liquidity problems in the past and the director does not envisage any in the foreseeable future.

Credit risk (the risk of financial loss arising from the failure of a customer to meet its payment obligations) has always been maintained at a relatively low level as the majority of it's sales are receivable within 30 days and there is no significant history of bad debts and the director does not envisage any issues in the foreseeable future.

The other main risk area is that of regulatory risk, including food industry regulations, health and safety and employment laws. The director constantly monitors the business operations to ensure a high level of compliance in all areas.

ON BEHALF OF THE BOARD:

S W Binns - Director

20 December 2023

Report of the Director for the Year Ended 31 March 2023

The director presents his report with the financial statements of the company for the year ended 31 March 2023.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of wholesalers of ice cream and associated products.

DIVIDENDS
Interim dividends totalling £2779.7354 per share were paid during the year. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2023 will be £ 277,974 .

FUTURE DEVELOPMENTS
The director expects further growth in turnover and units sold in the coming year. The company has two new product lines that will be introduced in 2024 and the director is confident that these will further increase the company's growth both in turnover and profitability.

DIRECTOR
S W Binns held office during the whole of the period from 1 April 2022 to the date of this report.

His beneficial interest in the shares of the company, according to the register of directors' interests, was as follows:

	31.3.23	1.4.22
Ordinary shares of £1 each	100	100

He did not hold any non-beneficial interests in the shares of the company.

FINANCIAL INSTRUMENTS
The company's principal financial instruments comprise of a bank overdraft facility that is in place, a bank loan, a debt factoring facility and credit card facilities, together with cash and short term deposits. The main purpose of these financial instruments is to manage the company's funding and liquidity requirements. The company has other financial assets and liabilities such as trade receivables and trade payables, which arise mainly from its operations.

EMPLOYEE INVOLVEMENT
The company's managers hold regular meetings with employees to discuss policy, procedures, products, financial performance and whats new in the business.

The company operates various bonus schemes to encourage employees to become involved in the company's performance.

DISABLED PERSONS
The company does not differentiate between able bodied and disabled persons in the recruitment, employment, general training, career development and promotion of it's employees.

GOING CONCERN
The company is in a net current assets position at the balance sheet date. The company reported a profit during the year and the director expects this to continue into 2024 and beyond.

The director has considered the application of the going concern basis of accounting, in doing so he has considered the 12 month period from the date of approval of this report. The director has assessed the expected future financial performance of the company and has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus he continues to adopt the going concern basis of accounting in preparing the annual financial statements.

DISCLOSURE IN THE STRATEGIC REPORT
Statements relating to Review of Business and Principal Risks and Uncertainties are included in the Strategic Report on page 2.

Report of the Director for the Year Ended 31 March 2023

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 financial statements, the director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Barlow Andrews LLP, were appointed during the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S W Binns - Director

20 December 2023

Report of the Independent Auditors to the Members of Cooldelight Desserts Limited

Qualified opinion
We have audited the financial statements of Cooldelight Desserts Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:
· give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit 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 qualified opinion
As stated in the other matters which we are required to address on page 7, the financial statements for the year ended 31 March 2022 were not required to be audited.

As such we were not appointed as auditor of the company until after 31 March 2022 and thus did not observe the counting of physical inventories at the end of the previous financial year. We were unable to satisfy ourselves by alternative means concerning the existence of inventory quantities of £787,426 held at 31 March 2022. Consequently, we were unable to determine whether any adjustment to this amount at 31 March 2022 was necessary or whether there was any consequential effect on the cost of sales for the year end 31 March 2023. In addition, were any adjustment to the 2022 inventory balance to be required, the strategic report would also need to be amended.

We have not found any issues with the audit of the stock of £1,269,626 at 31 March 2023.

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 qualified opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Other information
The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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, however, we draw your attention to the basis for qualified opinion section of this report.

Opinions on other matters prescribed by the Companies Act 2006
Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of our audit:
- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In respect solely of the limitation on our work relating to stock, described above:
· we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
· we were unable to determine whether adequate accounting records had been maintained.

Except for the matter described in the basis for qualified opinion section of our report, 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 strategic report or the director's 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 director's remuneration specified by law are not made.

Responsibilities of director
As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the director and other management, and from our commercial knowledge and experience;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:
- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:
- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address
The financial statements of Cooldelight Desserts Limited for the year ended 31 March 2022 were not required to be audited under UK GAAP. As such, the comparative figures in the financial statements for the year ended 31 March 2023 are unaudited.

Report of the Independent Auditors to the Members of Cooldelight Desserts Limited

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Alison Cornes (Senior Statutory Auditor)
for and on behalf of Barlow Andrews LLP
Chartered Accountants, Statutory Auditor
Carlyle House
78 Chorley New Road
Bolton

20 December 2023

Statement of Comprehensive Income for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 as restated £
TURNOVER		19,521,662	14,701,873
Cost of sales		17,035,352	12,791,997
GROSS PROFIT		2,486,310	1,909,876
Administrative expenses		1,538,255	1,198,045
		948,055	711,831
Other operating income		164,426	182,827
OPERATING PROFIT	5	1,112,481	894,658
Interest receivable and similar income		1,457	3
		1,113,938	894,661
Interest payable and similar expenses	6	64,816	32,438
PROFIT BEFORE TAXATION		1,049,122	862,223
Tax on profit	7	267,496	162,909
PROFIT FOR THE FINANCIAL YEAR		781,626	699,314

The notes form part of these financial statements

Balance Sheet
31 March 2023

	Notes	31.3.23 £	£	31.3.22 as restated £	£
FIXED ASSETS					
Tangible assets	10		1,128,465		1,068,343
CURRENT ASSETS					
Stocks	11	1,269,626		787,426	
Debtors: amounts falling due within one year	12	4,809,672		4,462,491	
Debtors: amounts falling due after more than one year	12	300,000		-	
Cash at bank and in hand		6,965		21,504	
		6,386,263		5,271,421	
CREDITORS					
Amounts falling due within one year	13	4,581,317		3,854,620	
NET CURRENT ASSETS			1,804,946		1,416,801
TOTAL ASSETS LESS CURRENT LIABILITIES			2,933,411		2,485,144
CREDITORS					
Amounts falling due after more than one year	14		(795,724)		(943,137)
PROVISIONS FOR LIABILITIES	18		(276,569)		(184,541)
NET ASSETS			1,861,118		1,357,466
CAPITAL AND RESERVES					
Called up share capital	19		100		100
Retained earnings	20		1,861,018		1,357,366
SHAREHOLDERS' FUNDS			1,861,118		1,357,466

The financial statements were approved by the director and authorised for issue on 20 December 2023 and were signed by:

S W Binns - Director

The notes form part of these financial statements

Statement of Changes in Equity for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2021	100	912,911	913,011
Changes in equity			
Dividends	-	(254,859)	(254,859)
Total comprehensive income	-	764,976	764,976
Balance at 31 March 2022	100	1,423,028	1,423,128
Prior year adjustment	-	(65,662)	(65,662)
As restated	100	1,357,366	1,357,466
Changes in equity			
Dividends	-	(277,974)	(277,974)
Total comprehensive income	-	781,626	781,626
Balance at 31 March 2023	100	1,861,018	1,861,118

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	31.3.23 £	31.3.22 as restated £
Cash flows from operating activities			
Cash generated from operations	1	556,438	704,325
Interest paid		(22,005)	(16,105)
Interest element of hire purchase payments paid		(42,811)	(16,333)
Tax paid		51,405	(835)
Net cash from operating activities		543,027	671,052
Cash flows from investing activities			
Purchase of tangible fixed assets		(490)	(33,755)
Sale of tangible fixed assets		20,000	23,500
Interest received		1,457	3
Net cash from investing activities		20,967	(10,252)
Cash flows from financing activities			
New loans in year		-	25,000
Loan repayments in year		(134,999)	(200,834)
Capital repayments in year		(156,487)	(217,996)
Equity dividends paid		(277,974)	(254,859)
Net cash from financing activities		(569,460)	(648,689)
(Decrease)/increase in cash and cash equivalents		(5,466)	12,111
Cash and cash equivalents at beginning of year	2	12,431	320
Cash and cash equivalents at end of year	2	6,965	12,431

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2023

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.3.23	31.3.22 as restated
	£	£
Profit before taxation	1,049,122	862,223
Depreciation charges	74,355	78,306
Profit on disposal of fixed assets	(4,084)	(8,363)
Amounts owed (by)/to associates	(20,051)	19,636
Finance costs	64,816	32,438
Finance income	(1,457)	(3)
	1,162,701	984,237
(Increase)/decrease in stocks	(482,200)	508,021
Increase in trade and other debtors	(877,362)	(1,000,976)
Increase in trade and other creditors	753,299	213,043
Cash generated from operations	556,438	704,325

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	6,965	21,504
Bank overdrafts	-	(9,073)
	6,965	12,431

Year ended 31 March 2022

	31.3.22 as restated	1.4.21
	£	£
Cash and cash equivalents	21,504	320
Bank overdrafts	(9,073)	-
	12,431	320

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2023

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.4.22	Cash flow	Other non-cash changes	At 31.3.23
	£	£	£	£
Net cash				
Cash at bank and in hand	21,504	(14,539)		6,965
Bank overdrafts	(9,073)	9,073		-
	12,431	(5,466)		6,965
Debt				
Finance leases	(745,503)	156,487	(149,904)	(738,920)
Debts falling due within 1 year	(135,000)	25,000	-	(110,000)
Debts falling due after 1 year	(339,167)	110,000	-	(229,167)
	(1,219,670)	291,487	(149,904)	(1,078,087)
Total	(1,207,239)	286,021	(149,904)	(1,071,122)

The notes form part of these financial statements

1. STATUTORY INFORMATION

Cooldelight Desserts Limited is a private company, limited by shares , registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements
The financial statements have been prepared under the historical cost convention.

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

Significant judgements and estimates
In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Turnover
Turnover is measured at the fair value of the consideration received or receivable adjusted for currency fluctuations but excluding discounts, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of goods have transferred to the buyer, usually at the point of sale, the amount of revenue can be reliably measured, 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 reliably measured.

Going concern
At the time of approving the financial statements, the director had a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. There is a risk that the company is reliant on key customers in preparation of this assessment however, as at the date of the audit report there is no indication that these customers are expecting to cease trading with the company. Thus, the director continues to adopt the going concern basis of accounting in preparing the financial statements.

Tangible fixed assets
Tangible fixed assets held for the company's own use are stated at cost less accumulated depreciation. At the balance sheet date, the company reviews the carrying amount of its tangible fixed assets to determine whether there is any indication that any items have suffered impairment losses, no such losses were identified.

Depreciation is provided at the following annual rates in order to write off each asset over it's estimated useful life or, if held under a finance lease, over the term of the lease, whichever is the shorter.
Plant and machinery etc. - varying rates between 25% and 30% on reducing balance and 5% on cost.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost comprises direct materials and those overheads that have been incurred in bringing the stock to their present location and condition.

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3. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. 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 equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using effective interest method unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

continued...

3. ACCOUNTING POLICIES - continued

Basic financial liabilities
Basic financial liabilities, including creditors, bank loans and other loans are initially recognised at transaction price unless the arrangement constitutes a financial transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt intruments are subsequently carried at amortised cost, using the effective rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

4. EMPLOYEES AND DIRECTORS

	31.3.23	31.3.22 as restated
	£	£
Wages and salaries	1,006,090	721,485
Social security costs	6,966	5,790
Other pension costs	31,846	31,944
	1,044,902	759,219

The average number of employees during the year was as follows:

	31.3.23	31.3.22 as restated
Directors	1	1
Admin staff	8	9
Sales staff	2	2
	11	12

	31.3.23	31.3.22 as restated
	£	£
Director's remuneration	57,038	54,529
Director's pension contributions to money purchase schemes	24,000	24,000

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	1	1

continued...

5. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.23	31.3.22 as restated
	£	£
Other operating leases	28,200	28,500
Depreciation - owned assets	23,133	40,357
Depreciation - assets on hire purchase contracts	51,223	37,948
Profit on disposal of fixed assets	(4,084)	(8,363)
Auditors' remuneration	12,000	-

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.23	31.3.22 as restated
	£	£
Bank loan interest	22,005	15,941
Other interest	-	164
Hire purchase	42,811	16,333
	64,816	32,438

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	31.3.23	31.3.22 as restated
	£	£
Current tax:		
UK corporation tax	175,468	163,785
Deferred tax:		
Provision movement	33,752	(876)
Rate movement	58,276	-
Total deferred tax	92,028	(876)
Tax on profit	267,496	162,909

continued...

7. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.23	31.3.22 as restated
	£	£
Profit before tax	1,049,122	862,223
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	199,333	163,822
Effects of:		
Expenses not deductible for tax purposes	1,000	2,381
Income not taxable for tax purposes	(775)	(1,589)
Capital allowances in excess of depreciation	(24,090)	(829)
Deferred tax on origination and reversal of timing differences	92,028	(876)
Total tax charge	267,496	162,909

8. DIVIDENDS

	31.3.23	31.3.22 as restated
	£	£
Interim	277,974	254,859

9. PRIOR YEAR ADJUSTMENT

The prior year adjustment in the year of £65,662 relates to purchase invoices for goods received prior to the year ended 31 March 2022 which were not accounted for in the company's accounting records until the year ended 31 March 2023. The adjustment resulted in an increase to Cost of sales of £81,065 with a reduction to Taxation of £15,402. The net impact on profit after tax for the year was £65,662.There was also an adjustment in the year relating to missing cost of sales invoices from prior to 1 April 2021, these amounted to £171,760 and the retained profit brought forward at 1 April 2021 was reduced to reflect this adjustment. The balance sheet was adjusted accordingly with an increase to Accrued Expenses of £252,825 and reduction to the Tax creditor of £15,402.

Further prior year adjustments were made in the year relating to advance interest on Hire Purchase Contracts that was previously included as a prepayment in Other Debtors in the 2022 accounts but has now been reclassified and set off net Hire Purchase Contracts included within Creditors. This adjustment has resulted in a reduction of Other Debtors of £110,138, a reduction of Hire Purchase Contracts (due in one year) of £41,819 and a reduction of Hire Purchase Contracts (due after more than one year) of £68,319. A balance of £578,657 has also been reclassified from trade debtors to other debtors. The adjustment has resulted in the restatement of comparative figures for the Balance Sheet and Notes 12, 13, and 14. This adjustment had no impact on profit or taxation.

continued...

10. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2022	1,432,006	16,669	84,895	10,789	1,544,359
Additions	150,394	-	-	-	150,394
Disposals	-	-	(52,950)	-	(52,950)
At 31 March 2023	1,582,400	16,669	31,945	10,789	1,641,803
DEPRECIATION					
At 1 April 2022	389,831	14,982	61,056	10,147	476,016
Charge for year	71,678	422	2,042	214	74,356
Eliminated on disposal	-	-	(37,034)	-	(37,034)
At 31 March 2023	461,509	15,404	26,064	10,361	513,338
NET BOOK VALUE					
At 31 March 2023	1,120,891	1,265	5,881	428	1,128,465
At 31 March 2022	1,042,175	1,687	23,839	642	1,068,343

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 April 2022	1,011,960
Additions	149,904
At 31 March 2023	1,161,864
DEPRECIATION	
At 1 April 2022	37,948
Charge for year	51,223
At 31 March 2023	89,171
NET BOOK VALUE	
At 31 March 2023	1,072,693
At 31 March 2022	974,012

11. STOCKS

	31.3.23 £	31.3.22 as restated £
Stocks - Finished goods	1,269,626	787,426

Stock recognised in cost of sales during the year as an expense was £14,308,185 (2022 - £10,777,371).

continued...

12. DEBTORS

	31.3.23	31.3.22 as restated
	£	£
Amounts falling due within one year:		
Trade debtors	3,957,377	3,465,753
Amounts owed by associates	413	-
Other debtors	806,111	611,796
Tax	-	230,594
Prepayments	45,771	154,348
	4,809,672	4,462,491
Amounts falling due after more than one year:		
Other debtors	300,000	-
Aggregate amounts	5,109,672	4,462,491

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23	31.3.22 as restated
	£	£
Bank loans and overdrafts (see note 15)	110,000	119,073
Other loans (see note 15)	-	25,000
Hire purchase contracts (see note 16)	172,363	141,533
Trade creditors	2,236,566	1,454,630
Amounts owed to associates	-	19,638
Tax	160,064	163,785
Social security and other taxes	27,137	25,428
VAT	284,624	213,893
Other creditors	1,399,402	1,428,074
Accrued expenses	191,161	263,566
	4,581,317	3,854,620

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.23	31.3.22 as restated
	£	£
Bank loans (see note 15)	229,167	339,167
Hire purchase contracts (see note 16)	566,557	603,970
	795,724	943,137

continued...

15. LOANS

An analysis of the maturity of loans is given below:

	31.3.23	31.3.22 as restated
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	9,073
Bank loans	110,000	110,000
Other loans	-	25,000
	110,000	144,073
Amounts falling due between one and two years:		
Bank loans - 1-2 years	110,000	110,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	119,167	229,167

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.3.23	31.3.22 as restated
	£	£
Gross obligations repayable:		
Within one year	219,155	183,352
Between one and five years	629,077	672,289
	848,232	855,641
Finance charges repayable:		
Within one year	46,792	41,819
Between one and five years	62,520	68,319
	109,312	110,138
Net obligations repayable:		
Within one year	172,363	141,533
Between one and five years	566,557	603,970
	738,920	745,503

continued...

16. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	31.3.23	31.3.22 as restated
	£	£
Within one year	20,605	15,190
Between one and five years	16,954	8,268
	37,559	23,458

17. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.23	31.3.22 as restated
	£	£
Bank overdraft	-	9,073
Hire purchase contracts	738,920	745,503
Amount due to factors	1,399,402	1,428,074
	2,138,322	2,182,650

Hire purchase creditors are secured on the assets concerned.

Amounts due to factors are secured on trade debtors.

18. PROVISIONS FOR LIABILITIES

	31.3.23	31.3.22 as restated
	£	£
Deferred tax		
Accelerated capital allowances	276,569	184,541

	Deferred tax
	£
Balance at 1 April 2022	184,541
Charge to Statement of Comprehensive Income during year	92,028
Balance at 31 March 2023	276,569

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.23	31.3.22 as restated
			£	£
100	Ordinary	£1	100	100

continued...

20. RESERVES

	Retained earnings £
At 1 April 2022	1,423,028
Prior year adjustment	(65,662)
	1,357,366
Profit for the year	781,626
Dividends	(277,974)
At 31 March 2023	1,861,018

21. CONTINGENT LIABILITIES

The company has given an unlimited guarantee to The Royal Bank of Scotland against the bank borrowings of a related company, 5 Star Cups Limited.

22. CAPITAL COMMITMENTS

	31.3.23 £	31.3.22 as restated £
Contracted but not provided for in the financial statements	54,873	-

23. RELATED PARTY DISCLOSURES

During the year, total dividends of £277,974 (2022 - £254,859) were paid to the director .

During the year under review the Company paid rent of £28,200 (2022 - £28,500) to Yarn Estates Limited a company in which Mr S W Binns is sole director and shareholder. At the balance sheet date, £413 (2022 - £19,638 due to) was due from Yarn Estates Limited.

The company also recharged management fees of £106,430 (2022 - £139,330) and charged machine hire of £57,996 (2022 - £43,497) to a company 5 Star Cups Limited, Mr S W Binns is a shareholder and director of this company. At the balance sheet date, £965,857 (2022 - £578,657) was due from 5 Star Cups Limited.

Total wages of £310,155 (2022 - £214,614) were paid to family members of the director.

24. ULTIMATE CONTROLLING PARTY

The controlling party is S W Binns.

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