REGISTERED NUMBER: 04370310 (England and Wales)

Strategic Report, Report of the Director and

Financial Statements for the Year Ended 31 March 2024

for

Cooldelight Desserts Limited

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Cooldelight Desserts Limited

Company Information
for the Year Ended 31 March 2024

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 2024

The director presents his strategic report for the year ended 31 March 2024.

REVIEW OF BUSINESS

The Company's turnover for the year increased by £1,905,772 to £21,916,408 from £20,010,636 in the year ended 31 March 2023. This increase was as a result of the Company's introduction of two new product lines. The increase in turnover was reflected in an increase in profit before tax for the year from £1,049,122 in 2023 to £2,067,964 in 2024.

The company's gross profit margin for the year was 17% up from 12.4% in 2023, it's net profit margin increased to 9.4% in the year from 5.2% in 2023.

The Company continues to have a healthy balance sheet with net assets increasing during the year to £3,115,610 up £1,254,492 on the net assets at 31 March 2023 which were £1,861,118.

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

31 July 2024

Report of the Director for the Year Ended 31 March 2024

The director presents his report with the financial statements of the company for the year ended 31 March 2024.

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 £3512.4356 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 2024 will be £ 351,244 .

FUTURE DEVELOPMENTS
The director expects further growth in turnover and units sold in the coming year. The company had two new product lines that were 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 2023 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:

	31.3.24	1.4.23
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 2025 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 2024

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, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:

S W Binns - Director

31 July 2024

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 2024 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 on the corresponding figures 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 2024 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

The financial statements for the year ended 31 March 2022 were not required to be audited, thus we did not observe the counting of physical inventories at the end of that year. We were unable to satisfy ourselves by alternative means concerning the inventory quantities of £787,425 held at 31 March 2022 by using other audit procedures. Consequently, we were unable to determine whether there was any consequential effect on the cost of sales for the year ended 31 March 2023. Our audit opinion on the financial statements for the year ended 31 March 2023 was modified accordingly. Our opinion on the current period's financial statements is also modified because of the possible effect of this matter on the comparability of the current period's figures and the corresponding figures.

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 Auditors' 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 director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 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 the audit:

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
Except for the matter described in the basis for qualified opinion section of our report, in respect solely of the limitation on our work relating to the opening stock at 1 April 2022, 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 monitored.

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 Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- 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 Statement of Director's Responsibilities set out on page four, 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 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;
- 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.

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 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 a Report of the Auditors 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.

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

31 July 2024

Statement of Comprehensive Income for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
TURNOVER		21,916,408	20,010,636
Cost of sales		18,188,374	17,524,326
GROSS PROFIT		3,728,034	2,486,310
Administrative expenses		1,762,391	1,538,255
		1,965,643	948,055
Other operating income		172,758	164,426
OPERATING PROFIT	5	2,138,401	1,112,481
Interest receivable and similar income		704	1,457
		2,139,105	1,113,938
Interest payable and similar expenses	6	71,141	64,816
PROFIT BEFORE TAXATION		2,067,964	1,049,122
Tax on profit	7	462,228	267,496
PROFIT FOR THE FINANCIAL YEAR		1,605,736	781,626
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,605,736	781,626

The notes form part of these financial statements

Balance Sheet
31 March 2024

	Notes	31.3.24 £	£	31.3.23 £	£
FIXED ASSETS					
Tangible assets	9		1,200,185		1,128,465
CURRENT ASSETS					
Stocks	10	1,681,326		1,269,626	
Debtors: amounts falling due within one year	11	4,313,507		4,809,672	
Debtors: amounts falling due after more than one year	11	300,000		300,000	
Cash at bank and in hand		2,580		6,965	
		6,297,413		6,386,263	
CREDITORS					
Amounts falling due within one year	12	3,598,381		4,581,317	
NET CURRENT ASSETS			2,699,032		1,804,946
TOTAL ASSETS LESS CURRENT LIABILITIES			3,899,217		2,933,411
CREDITORS					
Amounts falling due after more than one year	13		(500,143)		(795,724)
PROVISIONS FOR LIABILITIES	18		(283,464)		(276,569)
NET ASSETS			3,115,610		1,861,118
CAPITAL AND RESERVES					
Called up share capital	19		100		100
Retained earnings	20		3,115,510		1,861,018
SHAREHOLDERS' FUNDS			3,115,610		1,861,118

The financial statements were approved by the director and authorised for issue on 31 July 2024 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 2024

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 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
Changes in equity			
Dividends	-	(351,244)	(351,244)
Total comprehensive income	-	1,605,736	1,605,736
Balance at 31 March 2024	100	3,115,510	3,115,610

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 March 2024

	Notes	31.3.24 £	31.3.23 £
Cash flows from operating activities			
Cash generated from operations	1	1,013,787	556,438
Interest paid		(24,273)	(22,005)
Interest element of hire purchase payments paid		(46,868)	(42,811)
Tax paid		(160,064)	51,405
Net cash from operating activities		782,582	543,027
Cash flows from investing activities			
Purchase of tangible fixed assets		(154,064)	(490)
Sale of tangible fixed assets		-	20,000
Interest received		704	1,457
Net cash from investing activities		(153,360)	20,967
Cash flows from financing activities			
Loan repayments in year		(110,000)	(134,999)
Capital repayments in year		(172,363)	(156,487)
Equity dividends paid		(351,244)	(277,974)
Net cash from financing activities		(633,607)	(569,460)
Decrease in cash and cash equivalents		(4,385)	(5,466)
Cash and cash equivalents at beginning of year	2	6,965	12,431
Cash and cash equivalents at end of year	2	2,580	6,965

The notes form part of these financial statements

Notes to the Cash Flow Statement for the Year Ended 31 March 2024

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

	31.3.24	31.3.23
	£	£
Profit before taxation	2,067,964	1,049,122
Depreciation charges	82,344	74,355
Profit on disposal of fixed assets	-	(4,084)
Finance costs	71,141	64,816
Finance income	(704)	(1,457)
	2,220,745	1,182,752
Increase in stocks	(411,700)	(482,200)
Decrease/(increase) in trade and other debtors	496,165	(897,413)
(Decrease)/increase in trade and other creditors	(1,291,423)	753,299
Cash generated from operations	1,013,787	556,438

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 2024

	31.3.24	1.4.23
	£	£
Cash and cash equivalents	2,580	6,965

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

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.23	Cash flow	At 31.3.24
	£	£	£
Net cash			
Cash at bank and in hand	6,965	(4,385)	2,580
	6,965	(4,385)	2,580
Debt			
Finance leases	(738,920)	172,363	(566,557)
Debts falling due within 1 year	(110,000)	-	(110,000)
Debts falling due after 1 year	(229,167)	110,000	(119,167)
	(1,078,087)	282,363	(795,724)
Total	(1,071,122)	277,978	(793,144)

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.

Restatement
In the prior year the company recharged £488,974 of expenses which were previously netted off in cost of sales. These amounts have subsequently been reclassified within turnover and cost of sales at the gross amounts. There is no overall impact on the financial statements

Turnover
Turnover is all from the UK and is measured at the fair value of the consideration received or receivable 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% and 25% on cost.

continued...

3. ACCOUNTING POLICIES - continued

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.

Financial instruments
Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

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 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.

continued...

3. **ACCOUNTING POLICIES - continued**

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.

Basic financial liabilities
Basic financial liabilities, including creditors and bank 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 instruments 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**

	31.3.24	31.3.23
	£	£
Wages and salaries	1,046,955	899,338
Social security costs	129,623	113,718
Other pension costs	34,342	31,846
	1,210,920	1,044,902

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

	31.3.24	31.3.23
Directors	1	1
Admin staff	10	8
Sales staff	2	2
	13	11

Included in the profit or loss is £34,061 of pensions costs under defined contribution schemes.

	31.3.24	31.3.23
	£	£
Director's remuneration	59,904	57,038
Director's pension contributions to money purchase schemes	28,000	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):

	31.3.24	31.3.23
	£	£
Other operating leases	30,995	28,200
Depreciation - owned assets	24,251	23,133
Depreciation - assets on hire purchase contracts	58,093	51,223
Profit on disposal of fixed assets	-	(4,084)
Auditors' remuneration	12,000	12,000

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.3.24	31.3.23
	£	£
Bank interest	6	-
Bank loan interest	24,267	22,005
Hire purchase	46,868	42,811
	71,141	64,816

7. TAXATION

Analysis of the tax charge

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

	31.3.24	31.3.23
	£	£
Current tax:		
UK corporation tax	455,333	175,468
Deferred tax:		
Provision movement	6,895	33,752
Rate movement	-	58,276
Total deferred tax	6,895	92,028
Tax on profit	462,228	267,496

continued...

7. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	31.3.24	31.3.23
	£	£
Profit before tax	2,067,964	1,049,122
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	516,991	199,333
Effects of:		
Expenses not deductible for tax purposes	490	1,000
Income not taxable for tax purposes	-	(775)
Capital allowances in excess of depreciation	(19,208)	(24,090)
Utilisation of tax losses	(42,940)	-
Deferred tax on origination and reversal of timing differences	6,895	92,028
Total tax charge	462,228	267,496

8. **DIVIDENDS**

	31.3.24	31.3.23
	£	£
Interim	351,244	277,974

9. **TANGIBLE FIXED ASSETS**

	Plant and machinery	Fixtures and fittings	Motor vehicles	Computer equipment	Totals
	£	£	£	£	£
COST					
At 1 April 2023	1,582,400	16,669	31,945	10,789	1,641,803
Additions	149,793	-	-	4,271	154,064
Disposals	(218,016)	-	-	-	(218,016)
At 31 March 2024	1,514,177	16,669	31,945	15,060	1,577,851
DEPRECIATION					
At 1 April 2023	461,509	15,404	26,064	10,361	513,338
Charge for year	79,921	316	1,514	593	82,344
Eliminated on disposal	(218,016)	-	-	-	(218,016)
At 31 March 2024	323,414	15,720	27,578	10,954	377,666
NET BOOK VALUE					
At 31 March 2024	1,190,763	949	4,367	4,106	1,200,185
At 31 March 2023	1,120,891	1,265	5,881	428	1,128,465

continued...

9. **TANGIBLE FIXED ASSETS - continued**

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

	Plant and machinery £
COST	
At 1 April 2023 and 31 March 2024	1,161,864
DEPRECIATION	
At 1 April 2023	89,171
Charge for year	58,093
At 31 March 2024	147,264
NET BOOK VALUE	
At 31 March 2024	1,014,600
At 31 March 2023	1,072,693

10. **STOCKS**

	31.3.24 £	31.3.23 £
Stocks - Finished goods	1,681,326	1,269,626

Stock recognised in cost of sales during the year as an expense was £13,210,098 (2023 - £13,107,050).

11. **DEBTORS**

	31.3.24 £	31.3.23 £
Amounts falling due within one year:		
Trade debtors	3,440,969	3,957,377
Amounts owed by associates	2,596	413
Other debtors	820,369	806,111
Prepayments	49,573	45,771
	4,313,507	4,809,672
Amounts falling due after more than one year:		
Other debtors	300,000	300,000
Aggregate amounts	4,613,507	5,109,672

continued...

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24	31.3.23
	£	£
Bank loans and overdrafts (see note 14)	110,000	110,000
Hire purchase contracts (see note 15)	185,581	172,363
Trade creditors	2,184,226	2,236,566
Tax	455,333	160,064
Social security and other taxes	29,755	27,137
VAT	235,679	284,624
Other creditors	256,807	1,399,402
Accrued expenses	141,000	191,161
	3,598,381	4,581,317

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

	31.3.24	31.3.23
	£	£
Bank loans (see note 14)	119,167	229,167
Hire purchase contracts (see note 15)	380,976	566,557
	500,143	795,724

14. LOANS

An analysis of the maturity of loans is given below:

	31.3.24	31.3.23
	£	£
Amounts falling due within one year or on demand:		
Bank loans	110,000	110,000
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	9,167	119,167

continued...

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.3.24	31.3.23
	£	£
Gross obligations repayable:		
Within one year	218,955	219,155
Between one and five years	410,122	629,077
	629,077	848,232
Finance charges repayable:		
Within one year	33,374	46,792
Between one and five years	29,146	62,520
	62,520	109,312
Net obligations repayable:		
Within one year	185,581	172,363
Between one and five years	380,976	566,557
	566,557	738,920

	Non-cancellable operating leases	
	31.3.24	31.3.23
	£	£
Within one year	56,278	47,005
Between one and five years	37,394	26,116
	93,672	73,121

16. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.24	31.3.23
	£	£
Hire purchase contracts	566,557	738,920
Amount due to factors	255,562	1,399,402
	822,119	2,138,322

Hire purchase creditors are secured on the assets concerned.

Amounts due to factors are secured on trade debtors.

continued...

17. FINANCIAL INSTRUMENTS

Under FRS 102 the company holds financial instruments that qualify as derivatives in order to cover risks arising from its operations. The company places forward contracts for the purchase of Euros at set agreed rates.Under the contracts, the company is committed to exchange a set amount of sterling for an agreed amount of Euros.

The contracts entered into by the company have maturity dates up to and including 31 May 2024.

At the balance sheet date the company is committed to purchase €1.39m (2023 - €643k) under the contracts at a fixed sterling amount.

18. PROVISIONS FOR LIABILITIES

	31.3.24	31.3.23
	£	£
Deferred tax		
Accelerated capital allowances	283,464	276,569

	Deferred tax
	£
Balance at 1 April 2023	276,569
Charge to Statement of Comprehensive Income during year	6,895
Balance at 31 March 2024	283,464

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.24	31.3.23
			£	£
100	Ordinary	£1	100	100

The shares have attached to them full voting rights and each share is entitled to one vote in any circumstances.

The shares have attached to them full dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

20. RESERVES

	Retained earnings
	£
At 1 April 2023	1,861,018
Profit for the year	1,605,736
Dividends	(351,244)
At 31 March 2024	3,115,510

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, for the amount of £28,900.

continued...

22. CAPITAL COMMITMENTS

	31.3.24	31.3.23
	£	£
Contracted but not provided for in the financial statements	18,000	54,873

23. RELATED PARTY DISCLOSURES

During the year, total dividends of £351,244 (2023 - £277,974) were paid to the director .

During the year under review the Company paid rent of £26,400 (2023 - £28,200) to Yarn Estates Limited a company in which Mr S W Binns, director, is sole director and shareholder. At the balance sheet date, £2,596 (2023 - £413 due to) was due from Yarn Estates Limited.

The company also recharged management fees of £114,762 (2023 - £106,430) and charged machine hire of £57,996 (2023 - £57,996) to a company 5 Star Cups Limited, Mr S W Binns is a shareholder and director of this company. At the balance sheet date, £785,331 (2023 - £965,857) was due from 5 Star Cups Limited.

Total wages of £327,615 (2023 - £310,155) were paid to family members of the director.

24. ULTIMATE CONTROLLING PARTY

The controlling party is S W Binns.

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