REGISTERED NUMBER: 05529310 (England and Wales)

Financial Statements

for the Year Ended 31 December 2022

for

Varlink Limited

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for the Year Ended 31 December 2022

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Varlink Limited

Company Information
for the Year Ended 31 December 2022

DIRECTORS:	A M Pullon F Dodd A E Thompson
REGISTERED OFFICE:	Unit 1 Osbaldwick Industrial Estate Outgang Lane York North Yorkshire YO19 5UX
REGISTERED NUMBER:	05529310 (England and Wales)
SENIOR STATUTORY AUDITOR:	Phillipa Symington ACA, CA(SA)
AUDITORS:	Clive Owen LLP Chartered Accountants & Statutory Auditors Oak Tree House, Harwood Road Northminster Business Park Upper Poppleton York YO26 6QU

Balance Sheet
31 December 2022

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	4		18,084		16,345
Investments	5		1		1
			18,085		16,346
CURRENT ASSETS					
Stocks	6	2,137,045		2,423,533	
Debtors	7	3,898,917		2,472,998	
Cash at bank and in hand		448,183		64,530	
		6,484,145		4,961,061	
CREDITORS					
Amounts falling due within one year	8	4,819,069		3,699,674	
NET CURRENT ASSETS			1,665,076		1,261,387
TOTAL ASSETS LESS CURRENT LIABILITIES			1,683,161		1,277,733
CAPITAL AND RESERVES					
Called up share capital	10		140,000		147,369
Retained earnings			1,543,161		1,130,364
SHAREHOLDERS' FUNDS			1,683,161		1,277,733

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

In accordance with Section 444 of the Companies Act 2006, the Profit and Loss Account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 7 July 2023 and were signed on its behalf by:

A M Pullon - Director

The notes form part of these financial statements

Notes to the Financial Statements for the Year Ended 31 December 2022

1. STATUTORY INFORMATION

Varlink 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. ACCOUNTING POLICIES

Basis of preparing the financial statements
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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The annual financial statements have been prepared in Pound Sterling and have been rounded to the nearest £1.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

Preparation of consolidated financial statements
The financial statements contain information about Varlink Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 399(2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related party exemption
The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group nor transactions with directors conducted at a market rate.

Turnover
Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover includes revenue from the sale of goods.

Revenue recognition
Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probably that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measures reliably.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Fixed assets are initially recognised at cost and subsequently carried at cost less accumulated depreciation and impairment.

Gain / loss on the sale of fixed assets are recognised in profit and loss upon sale.

Investments in subsidiaries
Investments in subsidiary undertakings are stated at cost less provision for any impairment in value.

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2. 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.

At the end of each reporting period, stock is assessed for impairment. If an item of stock is impaired, the identified item is reduced to its selling price less costs to complete and sell and an impairment charge is recognised in the profit and loss account. Where a reversal of the impairment is required the impairment charge is reversed, up to the original impairment loss, and is recognised as a credit in the profit and loss account.

Financial instruments
Basic financial instruments are recognised at amortised cost with changes recognised in profit or loss.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, 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
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.

Going concern
After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Receivables financing
The receivables financing creditor represents amounts received in respect of financed debts. There is full recourse to the company for losses on debts, and so the financed debts continue to be recognised on the balance sheet. Interest and other charges relating to receivables financing are recognised in the profit and loss account over the relevant period.

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3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 27 (2021 - 25) .

4. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2022	98,527	174,734	273,261
Additions	948	7,789	8,737
Disposals	(39,590)	(48,369)	(87,959)
At 31 December 2022	59,885	134,154	194,039
DEPRECIATION			
At 1 January 2022	91,843	165,073	256,916
Charge for year	1,495	5,503	6,998
Eliminated on disposal	(39,590)	(48,369)	(87,959)
At 31 December 2022	53,748	122,207	175,955
NET BOOK VALUE			
At 31 December 2022	6,137	11,947	18,084
At 31 December 2021	6,684	9,661	16,345

5. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2022 and 31 December 2022	1
NET BOOK VALUE	
At 31 December 2022	1
At 31 December 2021	1

1 Ordinary share at a value of £1 is held in a dormant company, EPOS Distributor Limited.

6. STOCKS

	2022 £	2021 £
Stocks	2,137,045	2,423,533

Stock to the value of £178,373 has been provided for as at year end.

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7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	2,815,353	2,160,156
Other debtors	387,911	155,681
VAT	529,505	-
Deferred tax asset	44,699	-
Prepayments	121,449	157,161
	3,898,917	2,472,998

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	1,972,816	1,170,767
Taxation and social security	265,206	471,490
Other creditors	353,347	484,311
Receivables financing	2,180,092	1,482,048
Accruals and deferred income	47,608	91,058
	4,819,069	3,699,674

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	72,000	72,000
Between one and five years	42,000	114,000
	114,000	186,000

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
140,000	Ordinary	£1	140,000	147,369

During the year the company repurchased 7,369 ordinary £1 shares from a shareholder. These shares were subsequently cancelled.

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Phillipa Symington ACA, CA(SA) (Senior Statutory Auditor)
for and on behalf of Clive Owen LLP

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.