REGISTERED NUMBER: 05529310 (England and Wales)

Financial Statements

for the Year Ended 31 December 2023

for

Varlink Limited

Contents of the Financial Statements
for the Year Ended 31 December 2023

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	3

Varlink Limited

Company Information
for the Year Ended 31 December 2023

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 2023

	Notes	2023 £	2023 £	2022 as restated £	2022 as restated £
FIXED ASSETS					
Intangible assets	4		54,095		-
Tangible assets	5		12,619		18,084
Investments	6		1		1
			66,715		18,085
CURRENT ASSETS					
Stocks	7	1,559,260		2,028,376	
Debtors	8	2,190,988		3,726,289	
Cash at bank and in hand		39,012		448,183	
		3,789,260		6,202,848	
CREDITORS					
Amounts falling due within one year	9	2,444,123		4,947,580	
NET CURRENT ASSETS			1,345,137		1,255,268
TOTAL ASSETS LESS CURRENT LIABILITIES			1,411,852		1,273,353
PROVISIONS FOR LIABILITIES			2,846		-
NET ASSETS			1,409,006		1,273,353
CAPITAL AND RESERVES					
Called up share capital	11		140,000		140,000
Retained earnings			1,269,006		1,133,353
SHAREHOLDERS' FUNDS			1,409,006		1,273,353

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 19 March 2024 and were signed on its behalf by:

A M Pullon - Director

The notes form part of these financial statements

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.

Intangible assets
Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software will be amortised over its estimated useful life from next year.

continued...

2. ACCOUNTING POLICIES - continued

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.

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.

continued...

2. ACCOUNTING POLICIES - continued

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.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 27 (2022 - 27) .

4. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
Additions	54,095
At 31 December 2023	54,095
NET BOOK VALUE	
At 31 December 2023	54,095

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2023	59,885	134,154	194,039
Additions	1,200	2,467	3,667
Disposals	(32,431)	(112,912)	(145,343)
At 31 December 2023	28,654	23,709	52,363
DEPRECIATION			
At 1 January 2023	53,748	122,207	175,955
Charge for year	1,802	7,159	8,961
Eliminated on disposal	(32,430)	(112,742)	(145,172)
At 31 December 2023	23,120	16,624	39,744
NET BOOK VALUE			
At 31 December 2023	5,534	7,085	12,619
At 31 December 2022	6,137	11,947	18,084

continued...

6. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2023 and 31 December 2023	1
NET BOOK VALUE	
At 31 December 2023	1
At 31 December 2022	1

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

7. STOCKS

	2023	2022 as restated
	£	£
Stocks	1,559,260	2,028,376

Stock to the value of £35,730 (2022: £69,704) has been provided for as at year end.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Trade debtors	1,823,486	2,602,097
Other debtors	195,894	486,534
Taxation and social security	115,246	100,306
VAT	-	398,371
Deferred tax asset	-	17,532
Prepayments	56,362	121,449
	2,190,988	3,726,289

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022 as restated
	£	£
Trade creditors	1,192,805	2,116,267
Taxation and social security	43,713	250,266
VAT	215,199	-
Other creditors	-	353,347
Secured debt	951,286	2,180,092
Accruals and deferred income	41,120	47,608
	2,444,123	4,947,580

continued...

10. LEASING AGREEMENTS

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

	2023	2022 as restated
	£	£
Within one year	72,540	72,000
Between one and five years	188,790	42,000
	261,330	114,000

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023	2022 as restated
			£	£
140,000	Ordinary	£1	140,000	140,000

12. 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

13. CAPITAL COMMITMENTS

	2023	2022 as restated
	£	£
Contracted but not provided for in the financial statements	20,400	-

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.