

G.C. BIRCHALL (HOLDINGS) LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2023

G.C. BIRCHALL (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	Mr. Colin G.Birchall Mrs.Christine Birchall Mr. Justin A. Birchall (Appointed 20 March 2023) Mrs. Louise M. Birchall (Appointed 20 March 2023)
Secretary	Mr. Colin G. Birchall
Company number	345838 (England and Wales)
Registered office	Cobalt House Magnesium Way Burnley Bridge Business Park Hapton Burnley BB12 7BF
Auditor	Ashworth Moulds 11 Nicholas Street Burnley Lancashire BB11 2AL
Bankers	Virgin Money 40 Church Street Blackburn Lancashire BB1 5AW

G.C. BIRCHALL (HOLDINGS) LIMITED

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G.C. BIRCHALL (HOLDINGS) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present the strategic report for the year ended 31 March 2023.

Principal Activity

The principal activity of the group continued to be that of food wholesalers.

Business Review

In the face of a fiercely competitive marketplace, Birchall Foodservice has defied industry norms, demonstrating exceptional resilience and strength in the past financial year. Despite challenges from competitors, strategic decision making and unwavering commitment to customer satisfaction have propelled us to outstanding results.

The group's commitment to system automation has proven to be a pivotal strategy in enhancing operational efficiency. The implementation of advanced automation tools has not only streamlined internal processes but has also contributed to cost savings. This focus aligns with industry trends ensuring the organisation remains competitive and adaptable to evolving technological landscapes.

The ongoing investment and development in the OrderMate online ordering platform underscore the group's dedication to meeting customer demands in the digital era. By enhancing the platform's user interface, expanding features, and ensuring seamless integration, the business has been able to enhance customer experience and satisfaction resulting in customers now placing orders 24hrs a day at a time most suitable to them, ultimately capturing a larger market share.

Challenges in the year have included delays in the delivery of the new fleet, resulting in heightened repair costs to our ageing fleet. Despite these challenges, the group demonstrated resilience in overcoming operational disruptions, emphasising our commitment to adaptability and efficiency in the face of unforeseen circumstances.

Principal risks and uncertainties

The group operates in a fast moving consumer goods industry that remains intensely competitive.

The principal risks and uncertainties facing the group are considered to be:-

- Food inflation, impacting procurement costs
- Energy and fuel costs, subject to market fluctuations
- General inflation affecting overall operational expenses
- Availability of new vehicles impacting fleet management
- Risks associated with bad debts and the financial stability of customers
- Recruitment challenges in a competitive labour market
- Non compliance with legislation and governance, posing legal and reputational risks

By managing the business the directors have established controls to respond to and mitigate the impact of any such risks.

Financial Key Performance Indicators

The company's directors believe that their key financial performance indicators (KPIs) are those that communicate the financial performance and strength of the group, these being turnover, gross profit and profit before tax.

The KPIs for the year to 31 March, 2023 showcase a robust and positive trajectory. Turnover for the year increased by 22% to £40,376,596 from £33,065,893. Gross profit followed suit with a remarkable surge of 28%, elevating to £13,789,837 from £10,781,083. Profit before tax showed an impressive upswing of 79%, climbing to £3,105,656 from £1,737,322.

At 31 March, 2023 the group's net current assets amounted to £2,411,405 and the group's net assets increased by £2,554,852 to £6,657,067.

G.C. BIRCHALL (HOLDINGS) LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Future Developments

Looking ahead, the group is strategically poised for future developments aimed at fortifying our market position and ensuring sustained growth.

We will actively explore opportunities to enhance our market presence and expand our service offerings.

We are committed to modernising our fleet by replacing ageing vehicles, a crucial step towards improving operational efficiency and service reliability.

The journey towards automation will persist, with an emphasis on exploring the integration of robots in our warehouse operations, contributing to enhanced speed and precision. Furthermore, our dedication to sustainability remains unwavering, as we actively seek avenues to further reduce the company's carbon footprint.

On behalf of the board

Mr. Justin A. Birchall

Director

22 December 2023

G.C. BIRCHALL (HOLDINGS) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The directors present their annual report and financial statements for the year ended 31 March 2023.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr. Colin G.Birchall

Mrs.Christine Birchall

Mr. Justin A. Birchall

Mrs. Louise M. Birchall

(Appointed 20 March 2023)

(Appointed 20 March 2023)

Auditor

The auditor, Ashworth Moulds, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Strategic report

The information required by schedule 7 of the Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 has been included in the separate Strategic Report in accordance with section 414C(11) of the Companies Act 2006 (Strategic and Directors' Reports) Regulations 2013.

G.C. BIRCHALL (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

Mr. Justin A. Birchall

Director

22 December 2023

G.C. BIRCHALL (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF G.C. BIRCHALL (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of G.C. BIRCHALL (HOLDINGS) LIMITED (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2023 and of the group's 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 opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 group's and parent 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 directors 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 directors are 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

G.C. BIRCHALL (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF G.C. BIRCHALL (HOLDINGS) LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- 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 group through discussions with directors and other management, and from our commercial knowledge and experience of the food wholesaling sector;
- 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 group, including the Companies Act 2006, taxation legislation, Minimum Wage requirements; and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management.

We assessed the susceptibility of the group'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

Audit response to risks identified

We addressed detecting material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, as follows:

G.C. BIRCHALL (HOLDINGS) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF G.C. BIRCHALL (HOLDINGS) LIMITED

Risks identified	Audit response
Risk of fraud through management bias and override controls	<ul style="list-style-type: none">• performed analytical procedures to identify any unusual or unexpected relationships;• tested journal entries to identify unusual transactions;• assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and• investigated the rationale behind significant or unusual transactions.
Risk of irregularities and non-compliance with laws and regulations	<ul style="list-style-type: none">• 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 for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

David Pickles FCA (Senior Statutory Auditor)
For and on behalf of Ashworth Moulds

22 December 2023

Chartered Accountants
Statutory Auditor

11 Nicholas Street
Burnley
Lancashire
BB11 2AL

G.C. BIRCHALL (HOLDINGS) LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Turnover	3	40,376,596	33,065,893
Cost of sales		(26,586,759)	(22,284,810)
Gross profit		13,789,837	10,781,083
Distribution costs		(7,129,086)	(6,438,493)
Administrative expenses		(3,694,986)	(3,193,272)
Other operating income		193,257	640,449
Operating profit	4	3,159,022	1,789,767
Interest receivable and similar income	8	130	432
Interest payable and similar expenses	9	(53,496)	(52,877)
Profit before taxation		3,105,656	1,737,322
Tax on profit	10	(550,804)	(385,605)
Profit for the financial year		2,554,852	1,351,717

Profit for the financial year is all attributable to the owners of the parent company.

The notes on pages 14 - 29 form an integral part of these financial statements.

Total comprehensive income for the year is all attributable to the owners of the parent company.

The profit and loss account has been prepared on the basis that all operations are continuing operations.

G.C. BIRCHALL (HOLDINGS) LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	12		444,564		185,423
Tangible assets	13		5,369,987		4,229,099
Investments	14		33		33
			<u>5,814,584</u>		<u>4,414,555</u>
Current assets					
Stocks	16	3,185,568		2,406,502	
Debtors	17	7,000,010		4,873,624	
Cash at bank and in hand		310,310		947,205	
		<u>10,495,888</u>		<u>8,227,331</u>	
Creditors: amounts falling due within one year	18	<u>(8,084,483)</u>		<u>(7,082,057)</u>	
Net current assets			<u>2,411,405</u>		<u>1,145,274</u>
Total assets less current liabilities			<u>8,225,989</u>		<u>5,559,829</u>
Creditors: amounts falling due after more than one year	19		(742,241)		(976,532)
Provisions for liabilities					
Deferred tax liability	22	826,681		481,082	
		<u>(826,681)</u>		<u>(481,082)</u>	
Net assets			<u>6,657,067</u>		<u>4,102,215</u>
Capital and reserves					
Called up share capital	24		320		320
Profit and loss reserves			6,656,747		4,101,895
Total equity			<u>6,657,067</u>		<u>4,102,215</u>

The notes on pages 14 to 29 form an integral part of these financial statements.

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Mr. Justin A. Birchall
Director

Company registration number 345838 (England and Wales)

G.C. BIRCHALL (HOLDINGS) LIMITED

COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Investments	14		4,702		4,702
Current assets					
Debtors	17	1,507		1,507	
Cash at bank and in hand		51		51	
		<u>1,558</u>		<u>1,558</u>	
Net current assets			1,558		1,558
Net assets			<u>6,260</u>		<u>6,260</u>
Capital and reserves					
Called up share capital	24		320		320
Profit and loss reserves			5,940		5,940
Total equity			<u>6,260</u>		<u>6,260</u>

The notes on pages 14 to 29 form an integral part of these financial statements.

Profit for the financial year - Company

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2022 - £1,200,000 profit).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 22 December 2023 and are signed on its behalf by:

Mr. Justin A. Birchall
Director

Company registration number 345838 (England and Wales)

G.C. BIRCHALL (HOLDINGS) LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 April 2021		320	3,950,178	3,950,498
Year ended 31 March 2022:				
Profit and total comprehensive income		-	1,351,717	1,351,717
Dividends	11	-	(1,200,000)	(1,200,000)
Balance at 31 March 2022		320	4,101,895	4,102,215
Year ended 31 March 2023:				
Profit and total comprehensive income		-	2,554,852	2,554,852
Balance at 31 March 2023		320	6,656,747	6,657,067

G.C. BIRCHALL (HOLDINGS) LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 1 April 2021		320	5,940	6,260
Year ended 31 March 2022:				
Profit and total comprehensive income for the year		-	1,200,000	1,200,000
Dividends	11	-	(1,200,000)	(1,200,000)
Balance at 31 March 2022		320	5,940	6,260
Year ended 31 March 2023:				
Profit and total comprehensive income		-	-	-
Balance at 31 March 2023		320	5,940	6,260

G.C. BIRCHALL (HOLDINGS) LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	30	3,537,867	2,890,567
Interest paid		(53,496)	(52,877)
Corporation taxes paid		(300,130)	(225,113)
Net cash inflow from operating activities		<u>3,184,241</u>	<u>2,612,577</u>
Investing activities			
Purchase of intangible assets		(385,357)	(128,731)
Purchase of tangible fixed assets		(1,847,000)	(889,806)
Proceeds on disposal of tangible fixed assets		2,500	-
Interest received		130	432
Net cash used in investing activities		<u>(2,229,727)</u>	<u>(1,018,105)</u>
Financing activities			
Capital element of loan repayment to directors		(160,788)	(33,073)
Increase in bank loans less repayments		(77,440)	(121,434)
Capital element of hire purchase contracts and finance leases		(293,599)	(272,321)
Dividends paid to equity shareholders		-	(1,200,000)
Net cash used in financing activities		<u>(531,827)</u>	<u>(1,626,828)</u>
Net increase/(decrease) in cash and cash equivalents		<u>422,687</u>	<u>(32,356)</u>
Cash and cash equivalents at beginning of year		(112,377)	(80,021)
Cash and cash equivalents at end of year		<u><u>310,310</u></u>	<u><u>(112,377)</u></u>
Relating to:			
Cash at bank and in hand		310,310	947,205
Bank overdrafts included in creditors payable within one year		-	(1,059,582)

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

G.C. Birchall (Holdings) Limited ("the company") is a company limited by shares and incorporated in England and Wales. The registered office is Cobalt House, Magnesium Way, Burnley Bridge Business Park, Hapton, Burnley, BB12 7BF.

The group consists of G.C. Birchall (Holdings) Limited and all of its subsidiaries.

G.C. Birchall (Holdings) Limited is a holding company. The group's principal activities are disclosed in the Strategic Report.

1.1 Accounting convention

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

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures.

1.2 Basis of consolidation

The consolidated financial statements incorporate those of G.C. Birchall (Holdings) Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 probable 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 measured reliably.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	33 - 50% straight line basis from date available for use
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Buildings long leasehold	2% straight line basis (see below)
Plant & machinery	5 - 10% straight line basis
Fixtures & fittings	10 - 20% straight line basis
Computer and other equipment	20 - 50% straight line basis
Cars	25% reducing balance basis
Commercial vehicles	10 - 20% straight line basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

Group policy is to maintain the leasehold buildings to a high standard by a continued programme of refurbishment and maintenance. The original cost compared with the residual value of leasehold buildings is such that the depreciable amount is considered to be nil.

Non depreciable land is not depreciated.

1.7 Fixed asset investments

In the parent company financial statements, investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Interests in unlisted investments whose fair values cannot be measured reliably are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises the purchase price of stock items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

A financial instrument is a contract giving rise to a financial asset (such as trade and other debtors, cash and bank balances) or a financial liability (such as trade and other creditors, bank and other loans, hire purchase and lease creditors) or an equity instrument (such as ordinary or preference shares).

Financial instruments are recognised in the group's balance sheet when the company becomes a party to the contractual provisions of the instrument.

Investments in equity instruments which are not subsidiaries, associates or joint ventures, that are not publicly traded and whose fair values cannot be measured reliably are accounted for at cost less impairment.

All the group's other financial instruments are basic financial instruments and are recognised at amortised cost using the effective interest method.

Amortised cost: the original transaction value, less amounts settled, less any adjustment for impairment.

Effective interest method: where a financial instrument falls due more than 12 months after the balance sheet date and is subject to a rate of interest which is below a market rate, the original transaction value is discounted using a market rate of interest to give the net present value of future cash flows.

Derecognition of financial assets

Financial assets cease to be recognised only when the contractual rights to the cash flows expire, or when substantially all the risks and rewards of ownership are transferred to another entity.

Financial liabilities cease to be recognised when and only when the group's obligations are discharged, cancelled, or they expire.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Current tax

Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to reserves, in which case the deferred tax is also dealt with in reserves.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants relating to the Coronavirus Job Retention Scheme are recognised as other income in the period to which the employee costs are recognised for the relevant furlough period.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

Critical judgements

The following judgements (apart from those involving estimates) and that have had the most significant effect on amounts recognised in the financial statements are as follows:

The determination of whether leases entered into by the group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

The determination of whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and whether it is a larger cash-generating unit, the viability and expected future performance of that unit.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

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

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
Principal activity	40,376,596	33,065,893
	<u> </u>	<u> </u>

The total turnover of the group for the year has been derived from its principal activity, wholly undertaken in the United Kingdom.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Turnover and other revenue (Continued)

	2023	2022
	£	£
Other significant revenue		
Other operating income	193,257	184,531
Government grants receivable under the Coronavirus Job Retention Scheme	-	440,918
Government grants - other Covid-19 related Grants	-	15,000

4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	542,883	523,836
Depreciation of tangible fixed assets held under finance leases	235,252	277,659
(Profit) / loss on disposal of tangible fixed assets	11,896	8,931
Amortisation of intangible assets	126,215	168,143
Operating lease charges	430,468	407,382

5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	2,500	2,350
Audit of the company's subsidiaries	17,875	15,975
	20,375	18,325
For other services		
All other non-audit services	38,790	34,440

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Transport	49	44	-	-
Warehouse	45	45	-	-
Sales	24	24	-	-
Administration	27	25	-	-
Directors	8	7	2	2
Total	153	145	2	2

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	5,417,254	4,869,925	-	-
Social security costs	572,767	479,646	-	-
Pension costs	571,016	282,614	-	-
	<u>6,561,037</u>	<u>5,632,185</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	<u>14,104</u>	<u>33,603</u>

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Other interest income	<u>130</u>	<u>432</u>

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	21,223	16,139
Other finance costs:		
Interest on finance leases and hire purchase contracts	32,273	36,586
Other interest	-	152
Total finance costs	<u>53,496</u>	<u>52,877</u>

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	<u>205,205</u>	<u>78,126</u>
Deferred tax		
Origination and reversal of timing differences	<u>345,599</u>	<u>307,479</u>
Total tax charge	<u>550,804</u>	<u>385,605</u>

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	3,105,656	1,737,322
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	590,075	330,091
Tax effect of expenses that are not deductible in determining taxable profit	2,477	2,107
Depreciation on assets not qualifying for tax allowances	8,759	17,129
Research and development tax credit	(12,839)	-
Other permanent differences	(120,612)	(79,182)
Change in deferred tax rate	82,944	115,460
Taxation charge	550,804	385,605

11 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Interim paid	-	1,200,000

12 Intangible fixed assets

Group	Goodwill £	Software £	Total £
Cost			
At 1 April 2022	214,533	488,515	703,048
Additions - separately acquired	-	385,357	385,357
At 31 March 2023	214,533	873,872	1,088,405
Amortisation and impairment			
At 1 April 2022	214,533	303,093	517,626
Amortisation charged for the year	-	126,215	126,215
At 31 March 2023	214,533	429,308	643,841
Carrying amount			
At 31 March 2023	-	444,564	444,564
At 31 March 2022	-	185,423	185,423

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

Group	Buildings long leasehold	Plant & machinery	Fixtures & fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2022	1,767,042	727,596	1,831,948	3,450,103	7,776,689
Additions	-	-	204,478	1,728,941	1,933,419
Disposals	-	-	(244,809)	(18,176)	(262,985)
At 31 March 2023	1,767,042	727,596	1,791,617	5,160,868	9,447,123
Depreciation and impairment					
At 1 April 2022	3,654	202,851	1,322,293	2,018,792	3,547,590
Depreciation charged in the year	-	41,526	196,342	540,267	778,135
Eliminated in respect of disposals	-	-	(235,652)	(12,937)	(248,589)
At 31 March 2023	3,654	244,377	1,282,983	2,546,122	4,077,136
Carrying amount					
At 31 March 2023	1,763,388	483,219	508,634	2,614,746	5,369,987
At 31 March 2022	1,763,388	524,745	509,655	1,431,311	4,229,099

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2023 £	2022 £	Company 2023 £	2022 £
Fixtures & fittings	75,872	6,837	-	-
Motor vehicles	602,285	904,386	-	-
	678,157	911,223	-	-
Depreciation charge for the year in respect of leased assets	235,252	277,659	-	-

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
At cost					
Investments in subsidiaries	15	-	-	4,702	4,702
Unlisted investments		33	33	-	-
		<u>33</u>	<u>33</u>	<u>4,702</u>	<u>4,702</u>

Movements in fixed asset investments Group

Cost

At 1 April 2022 & 31 March 2023

33

Carrying amount

At 31 March 2023

33

At 31 March 2022

33

Movements in fixed asset investments Company

Cost

At 1 April 2022 & 31 March 2023

4,702

Carrying amount

At 31 March 2023

4,702

At 31 March 2022

4,702

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
G.C. Birchall Limited	England and Wales	Ordinary	100.00

The investments in subsidiaries are all stated at cost less impairment.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	3,185,568	2,406,502	-	-

17 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	4,110,631	3,826,992	-	-
Corporation tax recoverable	567,776	104,412	-	-
Amounts owed by group undertakings	-	-	1,147	1,147
Other debtors	1,153,906	158,883	360	360
Prepayments and accrued income	1,167,697	783,337	-	-
	<u>7,000,010</u>	<u>4,873,624</u>	<u>1,507</u>	<u>1,507</u>

18 Creditors: amounts falling due within one year

		Group 2023 £	2022 £	Company 2023 £	2022 £
	Notes				
Bank loans and overdrafts	20	80,268	1,136,404	-	-
Obligations under finance leases	21	225,421	279,196	-	-
Directors loans	20	-	160,788	-	-
Trade creditors		5,861,124	4,329,363	-	-
Corporation tax payable		446,565	78,126	-	-
Other taxation and social security		128,087	132,327	-	-
Other creditors		70,503	60,685	-	-
Accruals and deferred income		1,272,515	905,168	-	-
		<u>8,084,483</u>	<u>7,082,057</u>	<u>-</u>	<u>-</u>

Group

Bank loans and overdrafts include £Nil (2022: £1,059,582) which relates to an invoice discounting facility. This is secured on trade debtors.

Details of security and bank and other loan terms are provided in notes 20 and 21.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	20	295,908	376,794	-	-
Obligations under finance leases	21	446,333	599,738	-	-
		<u>742,241</u>	<u>976,532</u>	<u>-</u>	<u>-</u>

Group

Details of security and loan terms are provided in notes 20 and 21.

20 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans	376,176	453,616	-	-
Bank overdrafts	-	1,059,582	-	-
Directors loans	-	160,788	-	-
	<u>376,176</u>	<u>1,673,986</u>	<u>-</u>	<u>-</u>
Payable within one year	80,268	1,297,192	-	-
Payable after one year	295,908	376,794	-	-

Group

Included in the bank overdrafts figure is £Nil (2022: £1,059,582) which relates to an invoice discounting facility. This is secured on trade debtors.

The bank loans and overdraft are secured by a debenture incorporating a fixed and floating charge over the group's assets and a legal first charge over The Cobalt Building, Magnesium Way, Burnley.

The first bank loan of £600,000 is repayable in equal monthly instalments over 15 years. Interest is charged on the loan at 3% over LIBOR. The second bank loan of £250,000 is repayable in equal monthly instalments over 7 years. Interest is charged on the loan at 4% over LIBOR.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Finance lease obligations

	Group 2023 £	2022 £	Company 2023 £	2022 £
Future minimum lease payments due under finance leases:				
Within one year	242,273	311,469	-	-
In two to five years	479,193	649,450	-	-
	<u>721,466</u>	<u>960,919</u>	<u>-</u>	<u>-</u>
Less: future finance charges	(49,712)	(81,985)	-	-
	<u>671,754</u>	<u>878,934</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3-5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The finance lease and hire purchase obligations are secured against the assets concerned.

22 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	905,662	502,239
Other timing differences	(78,981)	(21,157)
	<u>826,681</u>	<u>481,082</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 April 2022	481,082	-
Charge to profit or loss	345,599	-
	<u>826,681</u>	<u>-</u>
Liability at 31 March 2023	<u>826,681</u>	<u>-</u>

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Retirement benefit schemes

	2023	2022
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	571,016	282,614

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

24 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary 'A' shares of £1 each	160	160	160	160
Ordinary 'B' shares of £1 each	160	160	160	160
	<u>320</u>	<u>320</u>	<u>320</u>	<u>320</u>

25 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Within one year	329,886	370,750	-	-
Between two and five years	275,716	416,303	-	-
	<u>605,602</u>	<u>787,053</u>	<u>-</u>	<u>-</u>

26 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Acquisition of tangible fixed assets	656,668	-	-	-

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

27 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	1,259,620	655,340

Group

The company's subsidiary rents premises which are owned by Birchall Family Suntrust Scheme - Pension Fund, of which four of the directors are members. A commercial rent of £176,000 was paid (2022: £176,000).

During the year the company's subsidiary advanced £51,752 (2022: Nil) to close family members of the directors. At 31 March, 2023 £51,752 (2022: Nil) remained due to the company's subsidiary.

Company

Dividends totalling £Nil (2022: £1,200,000) were paid in the year in respect of shares held by close family members of the company's directors as at 31st March, 2023.

28 Directors' transactions

Advances or credits have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Closing balance £
Loan 1	-	(160,788)	518,958	358,170
Loan 2	-	-	318,929	318,929
		(160,788)	837,887	677,099

29 Controlling party

The directors consider there to be no ultimate controlling party.

G.C. BIRCHALL (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

30 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	2,554,852	1,351,717
Adjustments for:		
Taxation charged	550,804	385,605
Finance costs	53,496	52,877
Investment income	(130)	(432)
Loss on disposal of tangible fixed assets	11,896	8,931
Amortisation and impairment of intangible assets	126,215	168,143
Depreciation and impairment of tangible fixed assets	778,135	801,495
Movements in working capital:		
(Increase) in stocks	(779,066)	(732,752)
(Increase) in debtors	(1,663,022)	(1,227,361)
Increase in creditors	1,904,687	2,082,344
Cash generated from operations	3,537,867	2,890,567

31 Analysis of changes in net debt - group

	1 April 2022 £	Cash flows £	New finance leases £	31 March 2023 £
Cash at bank and in hand	947,205	(636,895)	-	310,310
Bank overdrafts	(1,059,582)	1,059,582	-	-
	(112,377)	422,687	-	310,310
Borrowings excluding overdrafts	(614,404)	238,228	-	(376,176)
Obligations under finance leases	(878,934)	293,599	(86,419)	(671,754)
	(1,605,715)	954,514	(86,419)	(737,620)

32 Analysis of changes in net funds - company

	1 April 2022 £	31 March 2023 £
Cash at bank and in hand	51	51

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.