

**Strategic Report, Report of the Director and
Financial Statements
for the Year Ended 31 December 2021
for
Pin Mill Textiles Limited**

**Contents of the Financial Statements
for the Year Ended 31 December 2021**

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Pin Mill Textiles Limited
Company Information
for the Year Ended 31 December 2021

DIRECTOR: M Cohen

SECRETARY: M Cohen Esq

REGISTERED OFFICE: Reedham House
31 King Street West
Manchester
M3 2PJ

REGISTERED NUMBER: 00511181 (England and Wales)

SENIOR STATUTORY AUDITOR: Ian Sluckis BA FCA

AUDITORS: Freedman Frankl & Taylor
Statutory Auditors
Chartered Accountants
Reedham House
31 King Street West
Manchester
M3 2PJ

**Strategic Report
for the Year Ended 31 December 2021**

The director presents his strategic report for the year ended 31 December 2021.

The principal activities of the company during the year continued to be the wholesale supply of home textiles.

The results for the year and the financial position of the company are shown in the annexed financial statements.

REVIEW OF BUSINESS

There has been an 29% decrease in turnover during the year, as the business has adjusted back to normal levels after post pandemic trading.

Gross Profit for 2021 is £3.4m (2020: £6.1m) with Gross Profit Margin at 21.88% (2020: 27.39%). The operating profit margin of the company was 12.45% (2020: 9.98%) which reflects an efficient, steady state position.

The business closed the year with a strong balance sheet and healthy cash flow position.

Development and Performance of the Business

The company performance is underpinned by strong customer relationships and ensuring that we provide a fashionable quality product that will have great appeal to the end user at an affordable price.

Costs are continually monitored with bench marking exercises being undertaken on a regular basis to determine best price / best service both in terms of stock purchases and overhead costs.

PRINCIPAL RISKS AND UNCERTAINTIES

The business monitors any key principal risks that could be considered material to have an adverse effect on its activities. The director and senior management are able to do this by reviewing operational and financial performance to identify any such risks. This is a key point of discussion in management meetings and is always high priority as one of the main areas for consideration. As well as recognising any new challenges, the company strives to adopt current best practice within its market sector.

Credit risk is mitigated by carrying out thorough credit checks prior to working with any potential customers. Credit checks are done through a reputable trade credit insurance provider who insure up to agreed credit limits, with credit terms set in advance of trade commencing. The business also has an established process for handling overdue accounts.

The business always endeavours to identify any potential risks to activities and adapt the workplace if required for its employees and processes, to enable continuity.

The business will continue to make key strategic decisions based on the constant changes which are presented.

WORKING CAPITAL

The company meets its day to day working capital requirements through regular receipts from customers, and trade credit terms secured from suppliers. Trade sales are closely monitored to ensure adherence to agreed credit terms.

CORPORATE AND SOCIAL RESPONSIBILITY

The company recognises its responsibilities in terms of equality and human rights towards its employees and individuals involved with the company. To these ends a high priority is given to ethical considerations in supplier and employee selection and partnership. The company has well established principles in respect of employee welfare and respect for the community. The company is aware of its environmental responsibilities, and operates best practices to fulfil these.

ON BEHALF OF THE BOARD:

M Cohen - Director

2 September 2022

**Report of the Director
for the Year Ended 31 December 2021**

The director presents his report with the financial statements of the company for the year ended 31 December 2021.

DIVIDENDS

An interim dividend of £212.69 per share was paid on 31 December 2021. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2021 will be £ 1,800,000 .

DIRECTOR

M Cohen held office during the whole of the period from 1 January 2021 to the date of this report.

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, Freedman Frankl & Taylor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M Cohen - Director

2 September 2022

Report of the Independent Auditors to the Members of Pin Mill Textiles Limited

Opinion

We have audited the financial statements of Pin Mill Textiles Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Income and Retained Earnings, Balance Sheet and 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 the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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 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 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 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.

Opinions on other matters prescribed by the Companies Act 2006

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.

**Report of the Independent Auditors to the Members of
Pin Mill Textiles Limited**

Matters on which we are required to report by exception

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:

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, 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.

Report of the Independent Auditors to the Members of Pin Mill Textiles Limited

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 a Report of the Auditors 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:

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

Audit response to risks identified

- the nature of the industry and sector, control environment and business performance;
- results of enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team and involving other internal specialists including tax regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risks of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and local tax legislation.

Audit response to risks identified

As a result of performing the above, we did not identify any key audit matters related to the potential risk of fraud.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of tax provisions; and
- in addressing the risks of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit.

**Report of the Independent Auditors to the Members of
Pin Mill Textiles Limited**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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.

Ian Sluckis BA FCA (Senior Statutory Auditor)
for and on behalf of Freedman Frankl & Taylor
Statutory Auditors
Chartered Accountants
Reedham House
31 King Street West
Manchester
M3 2PJ

2 September 2022

**Statement of Income and
Retained Earnings
for the Year Ended 31 December 2021**

	Notes	2021 £	£	2020 £	£
TURNOVER			15,700,047		22,163,196
Cost of sales			<u>12,264,424</u>		<u>16,091,467</u>
GROSS PROFIT			3,435,623		6,071,729
Distribution costs		151,605		774,914	
Administrative expenses		<u>2,394,725</u>		<u>3,323,050</u>	
			2,546,330		4,097,964
			889,293		1,973,765
Other operating income			<u>1,064,535</u>		<u>238,188</u>
OPERATING PROFIT	4		1,953,828		2,211,953
Interest payable and similar expenses	5		<u>-</u>		<u>1,500</u>
PROFIT BEFORE TAXATION			1,953,828		2,210,453
Tax on profit	6		<u>(2,798)</u>		<u>427,469</u>
PROFIT FOR THE FINANCIAL YEAR			1,956,626		1,782,984
Retained earnings at beginning of year			2,625,359		2,442,375
Dividends	7		(1,800,000)		(1,600,000)
RETAINED EARNINGS AT END OF YEAR			<u><u>2,781,985</u></u>		<u><u>2,625,359</u></u>

The notes form part of these financial statements

Pin Mill Textiles Limited (Registered number: 00511181)

**Balance Sheet
31 December 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	8		209,155		193,432
CURRENT ASSETS					
Stocks	9	-		3,772,945	
Debtors	10	6,148,395		4,550,181	
Cash at bank and in hand		<u>334,651</u>		<u>124,104</u>	
		6,483,046		8,447,230	
CREDITORS					
Amounts falling due within one year	11	<u>3,876,544</u>		<u>5,978,833</u>	
NET CURRENT ASSETS			<u>2,606,502</u>		<u>2,468,397</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,815,657		2,661,829
PROVISIONS FOR LIABILITIES	13		<u>25,209</u>		<u>28,007</u>
NET ASSETS			<u><u>2,790,448</u></u>		<u><u>2,633,822</u></u>
CAPITAL AND RESERVES					
Called up share capital	14		8,463		8,463
Retained earnings	15		<u>2,781,985</u>		<u>2,625,359</u>
SHAREHOLDERS' FUNDS			<u><u>2,790,448</u></u>		<u><u>2,633,822</u></u>

The financial statements were approved by the director and authorised for issue on 2 September 2022 and were signed by:

M Cohen - Director

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 31 December 2021**

1. STATUTORY INFORMATION

Pin Mill Textiles 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" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

Significant judgements and estimates

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant accounting Judgements

The significant accounting judgements that the directors have made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed below.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions and experience of recoverability. There have been no indicators of impairments identified during the current financial year.

Tangible fixed assets

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

2. ACCOUNTING POLICIES - continued

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; 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 measured reliably.

Interest income

Interest income is recognised in the statement of comprehensive income using the effective interest method.

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	15% on reducing balance
Plant and machinery	15% on reducing balance
Motor vehicles	25% on reducing balance
Computer equipment	15% on reducing balance
Leasehold improvements	Over the period of the lease

Tangible fixed assets are initially recorded at cost less accumulated depreciation and accumulated impairment losses.

Government grants

Grants of a revenue nature are credited to income in the period to which they relate.

Stocks

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

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. These are depreciated over their estimated useful lives.

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

Those held under operating leases are charged to the profit and loss account as they are incurred.

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

The company's financial statements for the period ended 31 December 2021 have been prepared on a going concern basis as, after making appropriate enquiries, the director has a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	937,686	1,760,936
Other pension costs	91,706	258,148
	<u>1,029,392</u>	<u>2,019,084</u>

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

	2021	2020
Senior management	7	7
Sales and administration	16	39
	<u>23</u>	<u>46</u>

	2021	2020
	£	£
Director's remuneration	78,265	77,787
Director's pension contributions to money purchase schemes	<u>1,098</u>	<u>1,314</u>

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

	2021	2020
Money purchase schemes	<u>1</u>	<u>1</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

4. **OPERATING PROFIT**

The operating profit is stated after charging:

	2021	2020
	£	£
Hire of plant and machinery	75,535	74,654
Depreciation - owned assets	29,853	23,655
Auditors' remuneration	<u>28,750</u>	<u>28,320</u>

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021	2020
	£	£
Other interest	<u>-</u>	<u>1,500</u>

6. **TAXATION**

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	-	417,390
Deferred tax	<u>(2,798)</u>	<u>10,079</u>
Tax on profit	<u>(2,798)</u>	<u>427,469</u>

Reconciliation of total tax (credit)/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:

	2021	2020
	£	£
Profit before tax	<u>1,953,828</u>	<u>2,210,453</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	371,227	419,986
Effects of:		
Expenses not deductible for tax purposes	5,448	7,021
Depreciation in excess of capital allowances	415	462
Group relief	<u>(379,888)</u>	<u>-</u>
Total tax (credit)/charge	<u>(2,798)</u>	<u>427,469</u>

7. **DIVIDENDS**

	2021	2020
	£	£
Ordinary shares	<u>1,800,000</u>	<u>1,600,000</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

8. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2021	27,171	43,546	116,039
Additions	-	2,400	1,792
At 31 December 2021	<u>27,171</u>	<u>45,946</u>	<u>117,831</u>
DEPRECIATION			
At 1 January 2021	5,909	13,264	60,980
Charge for year	2,180	4,303	7,829
At 31 December 2021	<u>8,089</u>	<u>17,567</u>	<u>68,809</u>
NET BOOK VALUE			
At 31 December 2021	<u>19,082</u>	<u>28,379</u>	<u>49,022</u>
At 31 December 2020	<u>21,262</u>	<u>30,282</u>	<u>55,059</u>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2021	33,717	77,997	298,470
Additions	37,934	3,450	45,576
At 31 December 2021	<u>71,651</u>	<u>81,447</u>	<u>344,046</u>
DEPRECIATION			
At 1 January 2021	3,823	21,062	105,038
Charge for year	7,327	8,214	29,853
At 31 December 2021	<u>11,150</u>	<u>29,276</u>	<u>134,891</u>
NET BOOK VALUE			
At 31 December 2021	<u>60,501</u>	<u>52,171</u>	<u>209,155</u>
At 31 December 2020	<u>29,894</u>	<u>56,935</u>	<u>193,432</u>

9. STOCKS

	2021 £	2020 £
Goods for resale	<u>-</u>	<u>3,772,945</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

10. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade debtors	3,966,460	3,687,220
Amounts owed by group undertakings	1,476,334	-
Other debtors	629,741	537,579
Directors' current accounts	-	269,187
Prepayments & accrued income	75,860	56,195
	<u>6,148,395</u>	<u>4,550,181</u>

11. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade creditors	3,815,126	4,739,661
Amounts owed to group undertakings	-	292,666
Tax	-	417,390
Social security and other taxes	10,955	39,441
VAT	12,138	419,684
Other creditors	1,620	(48,911)
Accrued expenses	36,705	118,902
	<u>3,876,544</u>	<u>5,978,833</u>

12. **LEASING AGREEMENTS**

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

	2021	2020
	£	£
Within one year	1,141	30,922
Between one and five years	291,148	338,070
In more than five years	1,620,000	1,800,000
	<u>1,912,289</u>	<u>2,168,992</u>

13. **PROVISIONS FOR LIABILITIES**

	2021	2020
	£	£
Deferred tax	<u>25,209</u>	<u>28,007</u>
		Deferred tax
		£
Balance at 1 January 2021		28,007
Credit to Statement of Comprehensive Income during year		(2,798)
Balance at 31 December 2021		<u>25,209</u>

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2021 £	2020 £
8,463	Ordinary		<u>8,463</u>	<u>8,463</u>

15. RESERVES

	Retained earnings £
At 1 January 2021	2,625,359
Profit for the year	1,956,626
Dividends	<u>(1,800,000)</u>
At 31 December 2021	<u>2,781,985</u>

16. CONTINGENT LIABILITIES

The company has guaranteed the bank facilities of its parent entity. At 31 December 2021, the company had bank borrowings of £1,349,621.

17. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2021 and 31 December 2020:

	2021 £	2020 £
M Cohen		
Balance outstanding at start of year	269,187	-
Amounts advanced	-	269,187
Amounts repaid	(269,187)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>269,187</u>

18. RELATED PARTY DISCLOSURES

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.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2021**

18. RELATED PARTY DISCLOSURES - continued

During the year, the company invoiced £8,064,612 (2020: £12,288,382) in respect of sales, commission and service charges, and purchased goods to a value of £6,372,660 (2020: £337,245) from entities in which the director has a material interest. At 31 December 2021, there was £2,278,072 (2020: £2,327,987) due to these entities.

At 31 December 2021, a balance of £190,000 (2020: 190,000) was due from a entity in which the director has a material interest.

During the year, the company paid pension contributions amounting to £80,000 (2020: £240,000) in respect of an employee of the company who is a close family member of the director.

During the year, the company paid consultancy fees amounting to £41,004 (2020: £23,456) to a close family member of the director.

During the year, the company paid donations amounting to £95,012 (2020: £106,000) to a charity in which the director is a trustee.

19. ULTIMATE CONTROLLING PARTY

The company's ultimate parent company is Pin Mill Holdings Limited, a company registered in England and Wales. Copies of the financial statements of Pin Mill Holdings Limited can be obtained from the registered office of that entity which is the same as this company and the address can be found on the Company Information page.

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.