

Company registration number 00600493 (England and Wales)



BOGOD & COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Helping you prosper

BOGOD & COMPANY LIMITED

COMPANY INFORMATION

Directors	Mr R D P Bogod Mr H P Bogod Mr S J Bogod
Secretary	Mr R M Ponting
Company number	00600493
Registered office	91 Goswell Road London EC1V 7EX
Auditor	UHY Hacker Young Bradbury House Mission Court Newport Gwent United Kingdom NP20 2DW

BOGOD & COMPANY LIMITED

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BOGOD & COMPANY LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

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

Review of the business

The directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006. The principal activity of the company is the supply of household sewing machines, spare parts, accessories and needles. Its aim is to maintain the strong market position it has achieved and this is supported by a series of import and distribution agreements with major manufacturers. Goods are supplied wholesale to national and local retail outlets.

The company is based in the UK and sales are predominately made in the domestic market with a small proportion, 2.4% (2022 – 2.4%), made in the wider European market. Sales in the year under review are now in line with pre pandemic levels after two years of increased volumes.

Principal risks and uncertainties

The majority of products sold are sourced from overseas, invoiced and paid for in the currency used by the supplier, therefore the movement in foreign exchange rates can have a significant impact on the financial performance of the business. The pound's exchange rate was volatile during the year but it ended approximately 8% down against the principal currencies used by the company's suppliers.

Competitive pressure in the United Kingdom and the general economic environment is a continuing risk to the company as is the ability of suppliers to keep pace with the competition. The company manages this risk by providing fast response times in fulfilling sales orders and by maintaining strong relationships with key customers and suppliers. The foreign currency risks referred to above are managed by regular and consistent monitoring of stock levels and of the exchange rates of the relevant currencies. The company makes forward purchases of currency to hedge its exposure and maintains foreign currency bank accounts.

The end of lockdown measures introduced to combat the Coronavirus pandemic has resulted in a fall in the demand for household sewing machines; this would compound any reduction in demand for the company's products caused by a deterioration in the general economic environment. Whilst it is impossible to eliminate these risks the board is confident that the company has adequate reserves to cover any foreseeable contingencies.

Development and performance

There have been no significant changes in the company's activities during the year under review and the directors are not aware of any likely changes in the company's activities in the forthcoming financial year.

Key performance indicators

The company's key performance indicators are sales and gross profit margin. Whilst lower than recent years, the directors are satisfied that the performance of the KPIs was in line with expectations. Sales levels have fallen by 25% (2022 - 7% fall) compared with the previous year and gross margin has fallen to 23% (2022 - 29%) predominately due to unfavourable foreign exchange rates.

The company generated a profit after tax of £308,496 (2022 - £1,257,409) during the year and is in a strong net current and overall net assets position at the balance sheet date. The company is financed through cash held at bank and inter-company borrowing.

By order of the board

Mr R M Ponting

Secretary

30 November 2023

BOGOD & COMPANY 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 7.

Ordinary dividends were paid amounting to £1,000,000. The directors do not recommend payment of a final 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 R D P Bogod

Mr H P Bogod

Mr S J Bogod

Financial risk management objectives and policies

The company's objective is to limit any financial risk to what it can comfortably absorb. To meet this objective the directors maintain substantial cash reserves within the group, monitor the foreign currency exposure of the company and hedge where appropriate. The company also insures against failure of its debtors.

Auditor

UHY Hacker Young have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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 company's auditor 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 company's auditor is aware of that information.

Going concern

The company generated a profit after tax of £308,496 (2022 - £1,257,409) during the year and is in a strong net current and overall net assets position at the balance sheet date. The company is financed through cash held at bank and inter-company borrowing.

The directors have considered the risks and uncertainties to the company, the company's forecast of profit and cash flows for a period of 12 months from the date of approval of these financial statements and the bank facilities available to the company. They believe that the company can operate within the facilities available for the period and have a reasonable expectation that the company will have access to adequate resources to continue in existence for a period of at least 12 months from the date of approval of these financial statements.

Accordingly, we continue to adopt the going concern basis in preparing the financial statements.

By order of the board

Mr R M Ponting

Secretary

30 November 2023

BOGOD & COMPANY LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

BOGOD & COMPANY LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF BOGOD & COMPANY LIMITED

Opinion

We have audited the financial statements of Bogod & Company Limited (the 'company') for the year ended 31 March 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 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 March 2023 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 *Auditor's 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 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 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.

BOGOD & COMPANY LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBER OF BOGOD & COMPANY 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 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, 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 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 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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Our approach to identifying and assessing the risks of material misstatements 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 company through discussions with directors and other management, and from our commercial knowledge and experience of the relevant 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 company, including the Companies Act 2006;
- we assessed the extent of compliance with laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatements, 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.

BOGOD & COMPANY LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBER OF BOGOD & COMPANY LIMITED**

To address risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- 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.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from the financial statements, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <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 member 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 member those matters we are required to state to the member 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 member, for our audit work, for this report, or for the opinions we have formed.

Mr John Griffiths (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

30 November 2023

Chartered Accountants
Statutory Auditor

Newport
Gwent
United Kingdom

BOGOD & COMPANY LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

		2023	2022
	Notes	£	£
Turnover	3	10,251,622	13,757,052
Cost of sales		(7,913,726)	(9,795,391)
Gross profit		<u>2,337,896</u>	<u>3,961,661</u>
Distribution costs		(448,141)	(456,509)
Administrative expenses		(1,571,318)	(2,023,183)
Other operating income		72,000	72,000
Operating profit	4	<u>390,437</u>	<u>1,553,969</u>
Interest payable and similar expenses	6	(5,407)	(339)
Profit before taxation		<u>385,030</u>	<u>1,553,630</u>
Tax on profit	7	(76,534)	(296,221)
Profit for the financial year		<u><u>308,496</u></u>	<u><u>1,257,409</u></u>

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

There have been no recognised gains and losses for the current or the prior financial year other than as stated in the profit and loss account and, accordingly, no separate statement of total comprehensive income is presented.

BOGOD & COMPANY LIMITED

**BALANCE SHEET
AS AT 31 MARCH 2023**

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	9		69,047		20,573
Current assets					
Stocks	11	2,528,158		3,343,421	
Debtors	12	1,284,535		2,255,097	
Cash at bank and in hand		385,618		272,405	
		<u>4,198,311</u>		<u>5,870,923</u>	
Creditors: amounts falling due within one year	13	<u>(1,300,052)</u>		<u>(2,238,224)</u>	
Net current assets			<u>2,898,259</u>		<u>3,632,699</u>
Total assets less current liabilities			<u>2,967,306</u>		<u>3,653,272</u>
Provisions for liabilities					
Deferred tax liability	14	<u>6,779</u>	<u>(6,779)</u>	<u>1,241</u>	<u>(1,241)</u>
Net assets			<u><u>2,960,527</u></u>		<u><u>3,652,031</u></u>
Capital and reserves					
Called up share capital	16		104		104
Capital redemption reserve			265,000		265,000
Profit and loss reserves			<u>2,695,423</u>		<u>3,386,927</u>
Total equity			<u><u>2,960,527</u></u>		<u><u>3,652,031</u></u>

The financial statements were approved by the board of directors and authorised for issue on 30 November 2023 and are signed on its behalf by:

Mr R D P Bogod
Director

Mr H P Bogod
Director

Company Registration No. 00600493

BOGOD & COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2023**

		Share capital	Capital reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2021		104	265,000	3,129,518	3,394,622
Year ended 31 March 2022:					
Profit and total comprehensive income for the year		-	-	1,257,409	1,257,409
Dividends	8	-	-	(1,000,000)	(1,000,000)
Balance at 31 March 2022		104	265,000	3,386,927	3,652,031
Year ended 31 March 2023:					
Profit and total comprehensive income for the year		-	-	308,496	308,496
Dividends	8	-	-	(1,000,000)	(1,000,000)
Balance at 31 March 2023		104	265,000	2,695,423	2,960,527

The company has one class of ordinary share which carries no right to fixed income.

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

The capital reserve represents the cost of issue of fully paid up shares.

BOGOD & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Bogod & Company Limited is a private company limited by shares incorporated in England and Wales. The registered office is 91 Goswell Road, London, EC1V 7EX.

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.

This 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:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Bogod Group Limited. These consolidated financial statements are available from its registered office, 91 Goswell Road, London, EC1V 7EX.

1.2 Going concern

The company generated a profit after tax of £308,496 (2022 - £1,257,409) during the year and is in a strong net current and overall net assets position at the balance sheet date. The company is financed through cash held at bank and inter-company borrowing.

The directors have considered the risks and uncertainties to the company, the company's forecast of profit and cash flows for a period of 12 months from the date of approval of these financial statements and the bank facilities available to the company. They believe that the company can operate within the facilities available for the period and have a reasonable expectation that the company will have access to adequate resources to continue in existence for a period of at least 12 months from the date of approval of these financial statements.

Accordingly, we continue to adopt the going concern basis in preparing the financial statements.

1.3 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.

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.

BOGOD & COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies (Continued)

1.4 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:

Plant, office equipment and motor vehicles	4-10 years straight-line
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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 credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

1.6 Financial instruments

The company 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.

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

BOGOD & COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

BOGOD & COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

1 Accounting policies

(Continued)

1.7 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. 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 company'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 tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 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.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

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

1.10 Leases

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 leases asset are consumed.

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

BOGOD & COMPANY 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 company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

In the period under review the directors do not believe that there are any critical accounting judgements or key sources of estimation uncertainty used in the preparation of the financial statements.

3 Turnover and other revenue

The turnover in the year arose from the supply of domestic sewing machines and associated products. The turnover attributable to each of the company's geographical area is:

	2023 £	2022 £
Turnover analysed by geographical market		
United Kingdom	10,008,116	13,432,222
Other European Countries	243,506	324,830
	<u>10,251,622</u>	<u>13,757,052</u>

	2023 £	2022 £
Other revenue		
Management charges from fellow group undertakings	72,000	72,000
	<u>72,000</u>	<u>72,000</u>

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	11,550	12,000
Depreciation of owned tangible fixed assets	11,162	8,533
(Profit)/loss on disposal of tangible fixed assets	-	372
Operating lease charges	<u>122,388</u>	<u>122,081</u>

BOGOD & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

5 Employees

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

	2023	2022
	Number	Number
Sales and distribution	30	29
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	890,947	737,971
Social security costs	77,989	64,349
Pension costs	33,429	32,406
	<u> </u>	<u> </u>
	1,002,365	834,726
	<u> </u>	<u> </u>

6 Interest payable and similar expenses

	2023	2022
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	1	339
Other finance costs:		
Other interest	5,406	-
	<u> </u>	<u> </u>
	5,407	339
	<u> </u>	<u> </u>

7 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	70,746	294,980
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	5,788	512
Changes in tax rates	-	175
Adjustment in respect of prior periods	-	554
	<u> </u>	<u> </u>
Total deferred tax	5,788	1,241
	<u> </u>	<u> </u>
Total tax charge	76,534	296,221
	<u> </u>	<u> </u>

BOGOD & COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****7 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	385,030	1,553,630
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	73,156	295,190
Effect of change in corporation tax rate	-	175
Permanent capital allowances in excess of depreciation	3,378	-
Depreciation on assets not qualifying for tax allowances	-	302
Deferred tax adjustments in respect of prior years	-	554
	<u> </u>	<u> </u>
Taxation charge for the year	76,534	296,221
	<u> </u>	<u> </u>

8 Dividends

	2023	2022
	£	£
Interim paid	1,000,000	1,000,000
	<u> </u>	<u> </u>

BOGOD & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

9 Tangible fixed assets

	Plant, office equipment and motor vehicles
	£
Cost	
At 1 April 2022	217,670
Additions	59,636
Disposals	(5,160)
	<hr/>
At 31 March 2023	272,146
	<hr/>
Depreciation and Impairment	
At 1 April 2022	197,097
Depreciation charged in the year	11,162
Eliminated in respect of disposals	(5,160)
	<hr/>
At 31 March 2023	203,099
	<hr/>
Carrying amount	
At 31 March 2023	69,047
	<hr/> <hr/>
At 31 March 2022	20,573
	<hr/> <hr/>

10 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,139,783	2,192,477
	<hr/> <hr/>	<hr/> <hr/>
Carrying amount of financial liabilities		
Measured at amortised cost	1,003,681	1,496,880
	<hr/> <hr/>	<hr/> <hr/>

11 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	2,528,158	3,343,421
	<hr/> <hr/>	<hr/> <hr/>

BOGOD & COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	1,114,853	1,332,976
Corporation tax recoverable	71,348	-
Amounts owed by group undertakings	24,930	859,501
Prepayments and accrued income	73,404	62,620
	<u>1,284,535</u>	<u>2,255,097</u>

Amounts due from group undertakings are unsecured, repayable on demand and do not incur any interest. The balance has arisen due to the use of shared banking facilities within the group and has been settled prior to the signing of these financial statements.

13 Creditors: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	688,137	967,460
Corporation tax	-	294,720
Other taxation and social security	296,371	446,624
Other creditors	8,686	60
Accruals and deferred income	306,858	529,360
	<u>1,300,052</u>	<u>2,238,224</u>

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities	Liabilities
	2023	2022
	£	£
Balances:		
Accelerated capital allowances	<u>6,779</u>	<u>1,241</u>
Movements in the year:		2023
		£
Liability at 1 April 2022		1,241
Charge to profit or loss		5,538
Liability at 31 March 2023		<u>6,779</u>

BOGOD & COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****14 Deferred taxation (Continued)**

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

15 Retirement benefit schemes

	2023	2022
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	33,429	32,406
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. No amounts remained outstanding at the year end (2022 - nil).

The company participates in the WJB Pension Scheme which is a defined benefit pension scheme, operated by the Bogod Group, for all eligible employees. This is a defined benefit multi-employer scheme, the assets and liabilities of which are held in a separate trustee-administered fund. The scheme is subject to valuation by independent actuaries at three-yearly intervals, the most recent minimum funding requirement valuation being carried out as at 31 March 2020. The 2020 valuation indicated that the scheme was 73% funded. The next full valuation will be carried out as at 31 March 2023; the report is expected in 2024. There were no pension contributions to the scheme during the year or the prior year. The scheme is now closed to both new entrants and future benefit accruals. No further contributions have been agreed.

For the purposes of Financial Reporting Standard 102 the company has been unable to identify its share of the underlying assets and liabilities in the scheme on a consistent and reasonable basis. Therefore the contributions to the scheme and the assets and liabilities of the scheme are accounted for in the results of the parent company, Bogod Group Limited.

The Bogod Group Limited report and financial statements sets out the details of the pension deficit of £88,000 (2022: £709,000).

16 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	104	104	104	104
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

17 Financial commitments, guarantees and contingent liabilities

The company is party with other group undertakings to cross-guarantees of each other's bank overdrafts and loans. At 31 March 2023, the overall commitment was £nil (2022: £nil).

At 31 March 2023, the company had, in the ordinary course of business, indemnities in favour of HM Revenue & Customs for deferred import duty totalling £30,000 (2022: £30,000).

BOGOD & COMPANY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023****18 Operating lease commitments****Lessee**

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

	2023	2022
	£	£
Within one year	55,410	110,820
Between two and five years	-	55,410
	<u>55,410</u>	<u>166,230</u>

19 Parent company and ultimate controlling party

The company's immediate and ultimate parent company is Bogod Group Limited, a company incorporated in England and Wales. The parent undertaking of the largest and smallest group which includes the company, and for which group financial statements are prepared, is Bogod Group Limited whose registered address is 91 Goswel Road, London EC1V 7EX. Copies of the financial statements of Bogod Group Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The directors consider the ultimate controlling parties to be H P Bogod, R D P Bogod and S J Bogod.

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.