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Registered number: 02804214

EAF GROUP LTD

UNAUDITED
FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2022

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EAF GROUP LTD
REGISTERED NUMBER: 02804214

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	-	-
Tangible assets	5	919,484	919,353
Investments	6	1	1
		<u>919,485</u>	<u>919,354</u>
Current assets			
Stocks	7	818,948	744,594
Debtors: amounts falling due after more than one year	8	141,842	-
Debtors: amounts falling due within one year	8	546,837	528,473
Cash at bank and in hand	9	850,841	799,297
		<u>2,358,468</u>	<u>2,072,364</u>
Creditors: amounts falling due within one year	10	(950,959)	(1,018,256)
Net current assets		<u>1,407,509</u>	<u>1,054,108</u>
Total assets less current liabilities		<u>2,326,994</u>	<u>1,973,462</u>
Creditors: amounts falling due after more than one year	11	(154,313)	(209,278)
Provisions for liabilities			
Deferred tax	14	(157,508)	(156,816)
Net assets		<u><u>2,015,173</u></u>	<u><u>1,607,368</u></u>
Capital and reserves			
Called up share capital	15	103	103
Profit and loss account		2,015,070	1,607,265
		<u><u>2,015,173</u></u>	<u><u>1,607,368</u></u>

EAF GROUP LTD
REGISTERED NUMBER: 02804214

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The directors consider that the company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 21.09.2022



S R Bird
Director

The notes on pages 3 to 13 form part of these financial statements.

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

EAF Group Limited is a private company limited by shares and incorporated in England and Wales. The address of the registered office is Frieze Hall, South Weald, Brentwood, Essex, CM14 5RE. The principal activity of the company during the year has been that of wholesale and retail of animal feed and accessories.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The company is exempt from the requirement to prepare consolidated financial statements as all of its subsidiaries are required to be excluded from consolidation by section 402 of the Companies Act 2006.

2.3 Revenue

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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.4 Operating leases: the company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.5 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.6 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Buildings	- 4% on cost
Improvements to property	- 25% on cost
Plant and machinery	- 10% on cost
Motor vehicles	- 20% on cost
Fixtures and fittings	- 20% on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.19 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 52 (2021 - 37).

4. Intangible assets

	Goodwill £
Cost	
At 1 April 2021	3,000
At 31 March 2022	3,000
Amortisation	
At 1 April 2021	3,000
At 31 March 2022	3,000
Net book value	
At 31 March 2022	-
At 31 March 2021	-

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Tangible fixed assets

	Buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 April 2021	187,685	1,095,609	416,772	181,338	1,881,404
Additions	-	100,841	81,770	20,562	203,173
Disposals	-	-	(50,978)	(5,516)	(56,494)
At 31 March 2022	187,685	1,196,450	447,564	196,384	2,028,083
Depreciation					
At 1 April 2021	65,993	452,155	307,161	136,742	962,051
Charge for the year on owned assets	9,388	74,502	13,909	21,162	118,961
Charge for the year on financed assets	-	25,519	45,138	-	70,657
Disposals	-	-	(37,554)	(5,516)	(43,070)
At 31 March 2022	75,381	552,176	328,654	152,388	1,108,599
Net book value					
At 31 March 2022	112,304	644,274	118,910	43,996	919,484
At 31 March 2021	121,692	643,454	109,611	44,596	919,353

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Buildings	112,304	119,454
Improvements to property	-	2,238
	112,304	121,692

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, is as follows:

	2022 £	2021 £
Plant and machinery	155,159	155,788
Motor vehicles	41,542	76,361
	<u>196,701</u>	<u>232,149</u>

6. Fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 April 2021	1
At 31 March 2022	<u>1</u>
Net book value	
At 31 March 2022	<u>1</u>
At 31 March 2021	<u>1</u>

7. Stocks

	2022 £	2021 £
Finished goods and goods for resale	<u>818,948</u>	<u>744,594</u>

EAF GROUP LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Debtors

	2022 £	2021 £
Due after more than one year		
Other debtors	141,842	-
	<u>141,842</u>	<u>-</u>
	2022 £	2021 £
Due within one year		
Trade debtors	509,322	442,250
Other debtors	6,066	62,067
Prepayments and accrued income	31,449	24,156
	<u>546,837</u>	<u>528,473</u>

9. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	<u>850,841</u>	<u>799,297</u>

10. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank loans	46,057	6,667
Trade creditors	702,315	796,009
Corporation tax	86,673	70,895
Other taxation and social security	44,557	46,764
Obligations under finance lease and hire purchase contracts	18,259	57,975
Other creditors	43,508	32,506
Accruals and deferred income	9,590	7,440
	<u>950,959</u>	<u>1,018,256</u>

EAFF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

11. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Bank loans	151,202	193,333
Net obligations under finance leases and hire purchase contracts	3,111	15,945
	<u>154,313</u>	<u>209,278</u>

Net obligations under hire purchase and finance leases are secured on the assets to which they relate.

12. Loans

Analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year		
Bank loans	46,057	6,667
Amounts falling due 1-2 years		
Bank loans	46,057	40,000
Amounts falling due 2-5 years		
Bank loans	105,145	153,333
	<u>197,259</u>	<u>200,000</u>

Security

Bank loans are covered by a fixed and floating charge over the undertaking and all assets owned by the company.

13. Hire purchase and finance leases

Minimum finance payments under hire purchase agreements fall due as follows:

	2022 £	2021 £
Within one year	18,259	57,975
Between 1-5 years	3,111	15,945
	<u>21,370</u>	<u>73,920</u>

EAF GROUP LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

14. Deferred taxation

	2022 £	2021 £
At beginning of year	(156,816)	(180,967)
Credited/(charged) to profit or loss	(692)	24,151
At end of year	(157,508)	(156,816)

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(157,508)	(156,816)
	(157,508)	(156,816)

15. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
100 Ordinary A shares of £1.00 each	100	100
3 Ordinary B shares of £1.00 each	3	3
	103	103

16. Pension commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £20,743 (2021 - £13,549). Contributions totalling £4,534 (2021 - £4,302) were payable to the fund at the balance sheet date and are included in creditors.

17. Related party transactions

Included within other debtors due within one year is an amount owed by an unincorporated business owned by a director of EAF Group totalling £4,466 (2021: £60,567). The closing balance represents the maximum amount owed in the year. The balance has been repaid after the year end. Also included within other debtors due after more than one year is an amount owed by a company in which a director of EAF Group is both a director and shareholder totalling £141,942 (2021: £nil).

EAF GROUP LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Controlling party

S R Bird is the ultimate controlling party.