

COMPANY REGISTRATION NUMBER: 3205943

FIRED UP CORPORATION LIMITED

FINANCIAL STATEMENTS

31 December 2021

FIRED UP CORPORATION LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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FIRED UP CORPORATION LIMITED

OFFICERS AND PROFESSIONAL ADVISERS

Director	Mr R M Kaye
Company secretary	G E Ackroyd
Registered office	Fired Up Buildings St Thomas Road Longroyd Bridge Huddersfield HD1 3LF
Auditor	Wheawill & Sudworth Limited Chartered Accountants & statutory auditor 35 Westgate Huddersfield HD1 1PA
Bankers	HSBC Bank plc 2 Cloth Hall Street Huddersfield West Yorkshire HD1 2ES
Solicitors	Eaton Smith LLP 14 High Street Huddersfield HD1 2HA

FIRED UP CORPORATION LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2021

The directors present their report for the financial year ended 31 December 2021. Principal activity and business review The principal activity of the company during the year was the manufacture and sale of fire surrounds, trouser presses and hospitality products . Performance and developments during the year We are pleased to report another successful year of operations. Profit before tax was £667,437 compared with £680,288 in 2020. In the 2021 financial year, turnover was £13,870,031, a increase of 20% on the previous year. In February 2021 the Group incorporated Fired Up Corporation (Ireland) Limited, this allows the Group to have a EU company with a CE marking. The CE marking affirms that goods conform with EU health and safety and environmental protection standards. This will further increase production capacity and provides access to a much bigger market. During the year the group also acquired Fired Up Corporation (USA). Principal risks and uncertainties The company maintains strong relationships with its major customers and suppliers. These help to mitigate risk in relation to cash collection and security of supply. Forward contracts are utilised to provide certainty over the cost of imported products. The company's range of products and markets served has helped it weather the difficulties caused by Covid-19 and provides it with a strong base to build on. Financial instruments The company's principal financial instruments comprise bank balances, bank overdrafts, import loans, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations. Due to the nature of the financial instruments used by the company there is no material exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below. In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of short term loans secured against imported stock and overdrafts both at floating rates of interest. Trade debtors are managed in respect of credit and cash flow by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due. Research and development The company continues to take advantage of technical advances as they arise and strives to develop new processes that increase efficiency in all aspects of the company's operations. Financial key performance indicators The directors use a range of key performance indicators to aid management of the business. These include measures on bank facility headroom, working capital, orders received and outstanding, gross sales, profit margin achieved and stock turnover. Outlook The directors continue to examine opportunities for further development of the business and its efficiencies, including the acquisition of appropriate businesses where there is scope to add value. The directors have considered the results of the current financial year up to the date of this report, and are confident the company will further enhance shareholder value in 2022.

This report was approved by the board of directors on 18 July 2022 and signed on behalf of the board by:

Mr R M Kaye

Director

FIRED UP CORPORATION LIMITED

DIRECTOR'S REPORT

YEAR ENDED 31 DECEMBER 2021

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

Director

The director who served the company during the year was as follows:

Mr R M Kaye

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 28 to the financial statements.

Disclosure of information in the strategic report

In accordance with Section 414C(11), Companies Act 2006, the following information required to be contained in this report is set out in the company's Strategic Report on pages 2 to 3: principal activities, business review, future developments, financial risks and research and development.

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report 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 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 judgments 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 them 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.

Going concern-Covid-19 assessment

The directors have considered the impact of the Covid 19 pandemic on the business. Whilst acknowledging that its operations will continue to be affected in the year ending 31 December 2022, the directors believe they have put suitable measures in place to ensure that the company will continue to operate and develop its activities going forward. The directors therefore believe that the preparation of the financial statements on the going concern basis is appropriate.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 18 July 2022 and signed on behalf of the board by:

Mr R M Kaye

Director

FIRED UP CORPORATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FIRED UP CORPORATION LIMITED YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of Fired Up Corporation Limited (the 'company') for the year ended 31 December 2021 which comprise the profit and loss account, balance sheet, statement of changes in equity, statement of cash flows and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion the financial statements: - give a true and fair view of the state of the 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; - 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 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The director is responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 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.

In the light of our 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 and the Directors' Report.

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 director's 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 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 the director

As explained more fully in the director's responsibilities statement, 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 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 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.

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: Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director. - Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

David Butterworth

(Senior Statutory Auditor)

For and on behalf of

Wheawill & Sudworth Limited

Chartered Accountants & statutory auditor

35 Westgate

Huddersfield

HD1 1PA

18 July 2022

FIRED UP CORPORATION LIMITED

PROFIT AND LOSS ACCOUNT

YEAR ENDED 31 DECEMBER 2021

		2021	2020
	Note	£	£
Turnover	4	13,870,031	11,556,573
Cost of sales		(9,132,856)	(7,370,247)
Gross profit		4,737,175	4,186,326
Distribution costs		(980,400)	(901,315)
Administrative expenses		(3,161,204)	(3,092,229)
Other operating income	5	107,946	544,984
Operating profit	6	703,517	737,766
Interest payable and similar expenses	10	(36,080)	(57,478)
Profit before taxation		667,437	680,288
Tax on profit	11	(135,270)	(130,040)
Profit for the financial year and total comprehensive income		532,167	550,248

All the activities of the company are from continuing operations.

FIRED UP CORPORATION LIMITED

BALANCE SHEET

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	400	800
Tangible assets	14	196,071	187,353
Investments	15	96,890	—
		-----	-----
		293,361	188,153
Current assets			
Stocks	16	3,223,559	2,709,975
Debtors	17	2,627,213	1,777,027
Cash at bank and in hand		573,535	1,097,349
		-----	-----
		6,424,307	5,584,351
Creditors: amounts falling due within one year	18	(2,980,054)	(2,580,912)
		-----	-----
Net current assets		3,444,253	3,003,439
		-----	-----
Total assets less current liabilities		3,737,614	3,191,592
Provisions			
Taxation including deferred tax	19	(46,825)	(32,970)
		-----	-----
Net assets		3,690,789	3,158,622
		-----	-----
Capital and reserves			
Called up share capital	23	25,000	25,000
Profit and loss account	24	3,665,789	3,133,622
		-----	-----
Shareholders funds		3,690,789	3,158,622
		-----	-----

These financial statements were approved by the board of directors and authorised for issue on 18 July 2022 , and are signed on behalf of the board by:

Mr R M Kaye

Director

Company registration number: 3205943

FIRED UP CORPORATION LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2020	25,000	2,808,374	2,833,374
Profit for the year		550,248	550,248
	-----	-----	-----
Total comprehensive income for the year	—	550,248	550,248
Dividends paid and payable	12 —	(225,000)	(225,000)
	-----	-----	-----
Total investments by and distributions to owners	—	(225,000)	(225,000)
At 31 December 2020	25,000	3,133,622	3,158,622
Profit for the year		532,167	532,167
	-----	-----	-----
Total comprehensive income for the year	—	532,167	532,167
	-----	-----	-----
At 31 December 2021	25,000	3,665,789	3,690,789
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FIRED UP CORPORATION LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	532,167	550,248
<i>Adjustments for:</i>		
Depreciation of tangible assets	62,799	44,266
Amortisation of intangible assets	400	200
Government grant income	(107,946)	(544,984)
Interest payable and similar expenses	36,080	57,478
(Gains)/loss on disposal of tangible assets	(6,804)	358
Tax on profit	131,693	130,040
<i>Changes in:</i>		
Stocks	(513,584)	160,128
Trade and other debtors	(850,186)	377,445
Trade and other creditors	399,079	(234,867)
Cash generated from operations	(316,302)	540,312
Interest paid	(36,080)	(57,478)
Tax paid	(117,865)	(31,289)
Net cash (used in)/from operating activities	(470,247)	451,545
Cash flows from investing activities		
Purchase of tangible assets	(76,257)	(111,146)
Proceeds from sale of tangible assets	11,544	15,249
Purchase of intangible assets	—	(1,000)
Acquisition of subsidiaries	(96,890)	—
Net cash used in investing activities	(161,603)	(96,897)
Cash flows from financing activities		
Proceeds from borrowings	—	356,523
Proceeds from loans from group undertakings	65,710	—
Proceeds from loans from participating interests	(65,620)	—
Government grant income	107,946	544,984
Dividends paid	—	(225,000)
Net cash from financing activities	108,036	676,507
Net (decrease)/increase in cash and cash equivalents	(523,814)	1,031,155
Cash and cash equivalents at beginning of year	1,097,349	66,194
Cash and cash equivalents at end of year	573,535	1,097,349

FIRED UP CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Fired Up Buildings, St Thomas Road, Longroyd Bridge, Huddersfield, HD1 3LF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Consolidation

The trading results and balance sheet values of the company's two wholly-owned subsidiary companies have no material impact on the group as a whole. Consequently consolidated accounts have not been prepared.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover represents amounts invoiced during the year, exclusive of discounts and Value Added Tax. Revenue is recognised at the date of invoicing to the customers.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences with certain exemptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. 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. Deferred tax is measured using tax rates and laws that have been enacted or substantially enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	-	Amortised over 5 years
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If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance / 33% straight line
Computer equipment	-	33% straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the balance sheet and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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 entity after deducting all of its financial liabilities.

Defined contribution plans

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contributions payable in the year.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Sale of goods	13,870,031	11,556,573

The turnover and profit before taxation are attributable to the company's principal activity.

Analysis of turnover by geographical destination:

	2021	2020
	£	£
United Kingdom	12,036,029	9,912,973
Other Europe	1,103,912	931,659
Japan	329,813	440,462
United States	—	28,523
Rest of the world	400,277	242,956
	13,870,031	11,556,573

5. Other operating income

	2021	2020
	£	£
Government grant income	—	25,000
Other operating income	107,946	519,984
	<u>107,946</u>	<u>544,984</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Amortisation of intangible assets	400	200
Depreciation of tangible assets	62,799	44,266
(Gains)/loss on disposal of tangible assets	(6,804)	358
Impairment of trade debtors	(239)	2,170
Operating lease rentals	25,331	14,956
Foreign exchange differences	(21,304)	(92,274)

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	12,000	13,500

8. Staff costs

The average number of persons employed by the company during the year, including the director, amounted to:

	2021	2020
	No.	No.
Production staff	40	47
Administrative staff	50	56
Management staff	4	4
	<u>94</u>	<u>107</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	2,467,129	2,456,539
Social security costs	205,435	172,139
Other pension costs	133,383	200,294
	<u>2,805,947</u>	<u>2,828,972</u>

9. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	25,390	17,316
Company contributions to defined contribution pension plans	40,000	40,000
	<u>65,390</u>	<u>57,316</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.

Defined contribution plans

1

1

10. Interest payable and similar expenses

	2021	2020
	£	£
Interest on banks loans and overdrafts	35,211	40,197
Other interest payable and similar charges	869	17,281
	<u>36,080</u>	<u>57,478</u>

11. Tax on profit**Major components of tax expense**

	2021	2020
	£	£
Current tax:		
UK current tax expense	121,415	117,865
Deferred tax:		
Origination and reversal of timing differences	13,855	12,175
Tax on profit	<u>135,270</u>	<u>130,040</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19 % (2020: 19 %).

	2021	2020
	£	£
Profit on ordinary activities before taxation	667,437	680,288
Profit on ordinary activities by rate of tax	126,813	129,255
Effect of expenses not deductible for tax purposes	1,167	723
Effect of capital allowances and depreciation	(3,786)	62
Rounding on tax charge	(133)	–
Change in deferred tax rate	11,209	–
Tax on profit	<u>135,270</u>	<u>130,040</u>

12. Dividends

	2021	2020
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	–	225,000

13. Intangible assets

	Goodwill
	£
Cost	
At 1 January 2021 and 31 December 2021	<u>71,749</u>
Amortisation	
At 1 January 2021	70,949
Charge for the year	400
At 31 December 2021	<u>71,349</u>
Carrying amount	
At 31 December 2021	<u>400</u>
At 31 December 2020	800

14. Tangible assets

	Plant and machinery £	Computer Equipment £	Motor vehicles £	Office Equipment £	Total £
Cost					
At 1 January 2021	675,795	171,097	18,114	185,011	1,050,017
Additions	30,419	9,138	35,550	1,150	76,257
Disposals	(34,838)	(500)	(7,500)	–	(42,838)
	-----	-----	-----	-----	-----
At 31 December 2021	671,376	179,735	46,164	186,161	1,083,436
	-----	-----	-----	-----	-----
Depreciation					
At 1 January 2021	543,359	131,977	13,436	173,892	862,664
Charge for the year	36,131	17,039	7,226	2,403	62,799
Disposals	(33,392)	(500)	(4,206)	–	(38,098)
	-----	-----	-----	-----	-----
At 31 December 2021	546,098	148,516	16,456	176,295	887,365
	-----	-----	-----	-----	-----
Carrying amount					
At 31 December 2021	125,278	31,219	29,708	9,866	196,071
	-----	-----	-----	-----	-----
At 31 December 2020	132,436	39,120	4,678	11,119	187,353
	-----	-----	-----	-----	-----

15. Investments

	Shares in group undertakings £
Cost	
At 1 January 2021	–
Additions	96,890

At 31 December 2021	96,890

Impairment	
At 1 January 2021 and 31 December 2021	–

Carrying amount	
At 31 December 2021	96,890

At 31 December 2020	–

16. Stocks

	2021 £	2020 £
Raw materials and consumables	484,785	449,240
Work in progress	59,131	65,483
Finished goods and goods for resale	2,679,643	2,195,252
	-----	-----
	3,223,559	2,709,975
	-----	-----

17. Debtors

	2021 £	2020 £
Trade debtors	1,901,655	1,312,872
Prepayments and accrued income	185,450	161,058
Amounts owed by related undertakings (note 29)	538,108	275,061

Other debtors	2,000	28,036
	-----	-----
	2,627,213	1,777,027
	-----	-----

Part of the amounts owed by related undertakings is recoverable more than one year after the balance sheet date .

18. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	959,315	875,114
Trade creditors	1,343,698	933,810
Amounts owed to group undertakings	65,710	—
Accruals and deferred income	226,740	255,014
Corporation tax	121,415	117,865
Social security and other taxes	241,933	349,514
Director loan accounts	17,359	46,935
Other creditors	3,884	2,660
	<u>2,980,054</u>	<u>2,580,912</u>

The bank loans and overdrafts are secured by a debenture over the company's assets.

19. Provisions

	Deferred tax (note 20) £
At 1 January 2021	32,970
Additions	13,855
	<u>46,825</u>
At 31 December 2021	46,825

20. Deferred tax

The deferred tax included in the balance sheet is as follows:

	2021	2020
	£	£
Included in provisions (note 19)	46,825	32,970
	<u>46,825</u>	<u>32,970</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	46,825	33,437
Other timing differences	—	(467)
	<u>46,825</u>	<u>32,970</u>

21. Employee benefits**Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution pension plans was £ 133,383 (2020: £ 200,294).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	—	25,000
	<u>—</u>	<u>25,000</u>

23. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	25,000	25,000	25,000	25,000

24. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

25. Analysis of changes in net debt

	At 1 Jan 2021	Cash flows	At 31 Dec 2021
	£	£	£
Cash at bank and in hand	1,097,349	(523,814)	573,535
Debt due within one year	(922,049)	(120,335)	(1,042,384)
	175,300	(644,149)	(468,849)

26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	264,200	277,980
Later than 1 year and not later than 5 years	986,611	266,769
Later than 5 years	9,916	–
	1,260,727	544,749

27. Contingencies

The company has given an unlimited multilateral guarantee against the bank borrowings of certain related companies. These amounted to £nil as at 31 December 2020 (2019: £nil). The company has also indemnified its bank in relation to a £40,000 (2020: £40,000) VAT deferment guarantee given by the bank to H M Revenue & Customs.

28. Events after the end of the reporting period

In January 2022 the company acquired the whole of the issued share capital of Fireplace Factory Outlet Limited at its market value of £218,000. This acquisition was from an associate of R M Kaye.

29. Director's advances, credits and guarantees

Included in creditors at note 18 above is an amount of £17,359 (2020: £46,935) owed to R M Kaye .

FIRED UP CORPORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

30. Related party transactions

R M Kaye acted during the year as director of Fireplace World (UK) Limited, Adam Fire Surrounds Limited, John Corby Limited, Fired Up Group Limited, Fired Up Group Limited (Hong Kong) Fired Up Corporation (USA) and Fired Up Corporation (Ireland) Limited. During the year the company traded with certain of these related entities. Transactions were carried out on an arm's length basis. Balances at the balance sheet date are disclosed in debtors and creditors above. During the year the company acquired the whole of the issued share capital of Fired Up Corporation (USA) from R M Kaye at its market value of £96,800.

31. Control

The company is controlled by R M Kaye.

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