

REGISTERED NUMBER: 02713601 (England and Wales)

Group Strategic Report,
Report of the Directors and
Consolidated Financial Statements
for the Year Ended 31 March 2023
for
Gusto Group Limited

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Gusto Group Limited (Registered number: 02713601)

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for the Year Ended 31 March 2023

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Gusto Group Limited
Company Information
for the Year Ended 31 March 2023

DIRECTORS: S N Wright
J C Wright
J C Heppell

SECRETARY: J C Heppell

REGISTERED OFFICE: Gusto House
Green Way
Collingham
Newark
Nottinghamshire
NG23 7DX

REGISTERED NUMBER: 02713601 (England and Wales)

AUDITORS: Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
International House
Brunel Drive
Newark
Nottinghamshire
NG24 2EG

Gusto Group Limited (Registered number: 02713601)

Group Strategic Report
for the Year Ended 31 March 2023

The directors present their strategic report of the company and the group for the year ended 31 March 2023.

Gusto Group Limited is a holding company, owning shares in a number of businesses operating in the development and construction of new homes and manufacturing sectors; the company also holds an interest in an architecture and engineering consultancy practice which operates as a Limited Liability Partnership.

REVIEW OF BUSINESS

All Gusto businesses have had to contend with inflationary pressures through their supply chains, although this has eased as the year progressed. Gusto Homes have continued to suffer delays in the planning process for a couple of sites which slowed production resulting in a drop in Construction related turnover. The new Group offices were nearly complete by year end, which will allow staff expansion over the coming years.

During the period the Gusto community fund has continued as a mechanism to support local community projects through our staff. This initiative alongside other employee benefits have resulted in high levels of staff retention with all key personnel being retained.

PRINCIPAL RISKS AND UNCERTAINTIES

The UK is facing a slowing housing market driven by increased mortgage rates. Our response to this has been to diversify into partnership work with our local authority to deliver an element of their social housing program. The UK economy is currently flat, and we are seeing demand from several of our Rototek customers reducing. In order to compensate for this, we have a healthy pipeline of new customers operating in sectors which are less effected by the recession.

High energy costs combined with the need to reduce carbon emissions is seen as an opportunity for the businesses to innovate towards becoming net zero carbon by 2030. As part of this process the group has submitted to become B Corp accredited. This will help to focus all our staff and supply chain on our group vision.

KEY PERFORMANCE INDICATORS

KPI - Gross Profit

The gross profit for manufacturing related activity was £4,035,715.
The gross profit for all other activity was £394,344.

KPI - Operating Profit

Overall group net profit before taxation was £1,764,449.

KPI - Our People

Employee numbers at end of the year were 146.

A restructuring exercise has taken place during the year to centralise group activities, and this has culminated in the appointment of Sean Conway as group managing director. Under this new structure there has been an increased investment in staff training and leadership development enabling the shareholders to empower the staff to take the business forward whilst they focus on the strategic growth of the business.

SUMMARY

Whilst the wider economy will be challenging, the group has a strong balance sheet and cash reserves alongside property assets which it can raise finance against. With the new group management structure in place, Gusto Group is well positioned to carefully manage the innovation opportunities which lay ahead.

ON BEHALF OF THE BOARD:

stephen wright
stephen.wright@dec7.2023-09-12 GMT.

S N Wright - Director

7 December 2023

Gusto Group Limited (Registered number: 02713601)

Report of the Directors
for the Year Ended 31 March 2023

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2023.

PRINCIPAL ACTIVITIES

Gusto Group Limited is a holding company, owning shares in a number of businesses operating in the development and construction of new homes and manufacturing sectors; the company also holds an interest in an architecture and engineering consultancy practice which operates as a Limited Liability Partnership.

DIVIDENDS

The total distribution for the year ended 31 March 2023 will be £24,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2022 to the date of this report.

S N Wright
J C Wright
J C Heppell

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

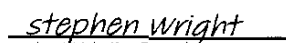
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Wright Vigar Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


stephen.wright (Dec 7, 2023 16:12 GMT)

S N Wright - Director

7 December 2023

Report of the Independent Auditors to the Members of
Gusto Group Limited

Opinion

We have audited the financial statements of Gusto Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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

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

Report of the Independent Auditors to the Members of
Gusto Group Limited

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Our work is performed to include an assessment of the susceptibility of the entity's financial statements to material misstatement, including the risk of fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We plan our work to gain an understanding of the significant laws and regulations that are of significance to the entity and the sector in which they operate. We perform our work to ensure that the entity is complying with its legal and regulatory framework.
- We obtained an understanding of how the company is complying with those legal and regulatory frameworks by making inquiries to the management and people charged with governance.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Substantive procedures performed in accordance with the ISAs (UK).
- Challenging assumptions and judgments made by management in its significant accounting estimates.
- Identifying and testing journal entries, in particular material journal entries and an assessment of year end journals.

- Assessing the extent of compliance with the relevant laws and regulations.

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

Use of our report

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


Paul Colcomb (Dec 7, 2023 21:23 GMT)

Paul Colcomb FCCA (Senior Statutory Auditor)
for and on behalf of Wright Vigar Limited
Statutory Auditors
Chartered Accountants & Business Advisers
International House
Brunel Drive
Newark
Nottinghamshire
NG24 2EG

7 December 2023

Gusto Group Limited (Registered number: 02713601)

**Consolidated
Income Statement
for the Year Ended 31 March 2023**

	Notes	2023 £	2022 £
TURNOVER	3	15,619,428	14,745,474
Cost of sales		11,189,369	11,842,717
GROSS PROFIT		4,430,059	2,902,757
Administrative expenses		2,892,350	2,648,346
		1,537,709	254,411
Other operating income		196,150	147,193
OPERATING PROFIT	5	1,733,859	401,604
Interest receivable and similar income		100	593
		1,733,959	402,197
Gain/loss on revaluation of investment property		35,890	60,033
		1,769,849	462,230
Interest payable and similar expenses	6	5,400	11,018
PROFIT BEFORE TAXATION		1,764,449	451,212
Tax on profit	7	356,918	69,635
PROFIT FOR THE FINANCIAL YEAR		1,407,531	381,577
Profit attributable to:			
Owners of the parent		952,259	147,966
Non-controlling interests		455,272	233,611
		1,407,531	381,577

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

**Consolidated
Other Comprehensive Income
for the Year Ended 31 March 2023**

Notes	2023 £	2022 £
PROFIT FOR THE YEAR	1,407,531	381,577
OTHER COMPREHENSIVE INCOME		
Additional investment in subsidiary	(6,220)	(3,440)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	(6,220)	(3,440)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>1,401,311</u>	<u>378,137</u>
Total comprehensive income attributable to:		
Owners of the parent	946,039	144,525
Non-controlling interests	455,272	233,612
	<u>1,401,311</u>	<u>378,137</u>

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

**Consolidated Balance Sheet
31 March 2023**

		2023		2022	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	10		254,568		286,389
Tangible assets	11		3,424,598		3,374,331
Investments	12				
Interest in associate			2,500		2,500
Other investments			296,230		50,000
Investment property	13		2,490,558		1,986,378
			<u>6,468,454</u>		<u>5,699,598</u>
CURRENT ASSETS					
Stocks	14	2,791,382		3,533,802	
Debtors	15	6,037,170		3,527,245	
Cash at bank and in hand		461,423		1,976,762	
		<u>9,289,975</u>		<u>9,037,809</u>	
CREDITORS					
Amounts falling due within one year	16	2,047,814		9,380,810	
NET CURRENT ASSETS/(LIABILITIES)			<u>7,242,161</u>		<u>(343,001)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			13,710,615		5,356,597
CREDITORS					
Amounts falling due after more than one year	17		(6,920,000)		(61,845)
PROVISIONS FOR LIABILITIES	19		(439,719)		(318,342)
NET ASSETS			<u>6,350,896</u>		<u>4,976,410</u>
CAPITAL AND RESERVES					
Called up share capital	20		10,000		10,000
Share premium	21		292,002		292,002
Retained earnings	21		4,219,863		3,297,824
SHAREHOLDERS' FUNDS			4,521,865		3,599,826
NON-CONTROLLING INTERESTS	22		1,829,031		1,376,584
TOTAL EQUITY			<u>6,350,896</u>		<u>4,976,410</u>

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2023 and were signed on its behalf by:

stephen wright
stephen Wright (Dec 7, 2023 15:12 GMT)

S N Wright - Director

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)**Company Balance Sheet**
31 March 2023

	Notes	2023	2022
		£	£
FIXED ASSETS			
Intangible assets	10	-	-
Tangible assets	11	517,748	525,889
Investments	12	1,252,453	997,178
Investment property	13	-	-
		<u>1,770,201</u>	<u>1,523,067</u>
CURRENT ASSETS			
Debtors	15	6,748,236	5,848,726
Cash at bank and in hand		192,251	640,670
		<u>6,940,487</u>	<u>6,489,396</u>
CREDITORS			
Amounts falling due within one year	16	103,180	7,038,088
NET CURRENT ASSETS/(LIABILITIES)		<u>6,837,307</u>	<u>(548,692)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,607,508</u>	<u>974,375</u>
CREDITORS			
Amounts falling due after more than one year	17	(7,250,000)	-
PROVISIONS FOR LIABILITIES	19	<u>(12,900)</u>	<u>(12,900)</u>
NET ASSETS		<u><u>1,344,608</u></u>	<u><u>961,475</u></u>
CAPITAL AND RESERVES			
Called up share capital	20	10,000	10,000
Share premium		292,002	292,002
Retained earnings		1,042,606	659,473
SHAREHOLDERS' FUNDS		<u><u>1,344,608</u></u>	<u><u>961,475</u></u>
Company's profit/(loss) for the financial year		<u><u>407,133</u></u>	<u><u>(17,209)</u></u>

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

The financial statements were approved by the Board of Directors and authorised for issue on 7 December 2023 and were signed on its behalf by:

stephen wright
stephen Wright (Dec 7, 2023 15.12 GMT)

S N Wright - Director

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

**Consolidated Statement of Changes in Equity
for the Year Ended 31 March 2023**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 April 2021	10,000	3,175,698	292,002
Changes in equity			
Dividends	-	(22,400)	-
Total comprehensive income	-	144,526	-
	10,000	3,297,824	292,002
Acquisition of non-controlling interest	-	-	-
Balance at 31 March 2022	10,000	3,297,824	292,002
Changes in equity			
Dividends	-	(24,000)	-
Total comprehensive income	-	946,039	-
	10,000	4,219,863	292,002
Acquisition of non-controlling interest	-	-	-
Balance at 31 March 2023	10,000	4,219,863	292,002
	Total £	Non-controlling interests £	Total equity £
Balance at 1 April 2021	3,477,700	1,150,704	4,628,404
Changes in equity			
Dividends	(22,400)	-	(22,400)
Total comprehensive income	144,526	233,612	378,138
	3,599,826	1,384,316	4,984,142
Acquisition of non-controlling interest	-	(7,732)	(7,732)
Balance at 31 March 2022	3,599,826	1,376,584	4,976,410
Changes in equity			
Dividends	(24,000)	-	(24,000)
Total comprehensive income	946,039	455,272	1,401,311
	4,521,865	1,831,856	6,353,721
Acquisition of non-controlling interest	-	(2,825)	(2,825)
Balance at 31 March 2023	4,521,865	1,829,031	6,350,896

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

Company Statement of Changes in Equity
for the Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 April 2021	10,000	699,082	292,002	1,001,084
Changes in equity				
Dividends	-	(22,400)	-	(22,400)
Total comprehensive income	-	(17,209)	-	(17,209)
Balance at 31 March 2022	10,000	659,473	292,002	961,475
Changes in equity				
Dividends	-	(24,000)	-	(24,000)
Total comprehensive income	-	407,133	-	407,133
Balance at 31 March 2023	10,000	1,042,606	292,002	1,344,608

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

Consolidated Cash Flow Statement
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	(1,257,496)	4,393,752
Interest paid		-	(3,304)
Interest element of hire purchase payments paid		(5,400)	(7,714)
Tax paid		(6,216)	(295,210)
Net cash from operating activities		<u>(1,269,112)</u>	<u>4,087,524</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(424,525)	(1,474,994)
Purchase of fixed asset investments		(246,230)	(11,172)
Purchase of investment property		(478,040)	(1,926,346)
Purchase of shares in subsidiary		(9,046)	-
Sale of tangible fixed assets		-	1,667
Sale of fixed asset investments		-	5
Interest received		100	593
Net cash from investing activities		<u>(1,157,741)</u>	<u>(3,410,247)</u>
Cash flows from financing activities			
Capital repayments in year		(55,373)	(64,879)
Loan with participating interest		990,887	483,605
Equity dividends paid		(24,000)	(22,400)
Net cash from financing activities		<u>911,514</u>	<u>396,326</u>
(Decrease)/increase in cash and cash equivalents		<u>(1,515,339)</u>	<u>1,073,603</u>
Cash and cash equivalents at beginning of year	2	1,976,762	903,159
Cash and cash equivalents at end of year	2	<u>461,423</u>	<u>1,976,762</u>

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 March 2023

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2023	2022
	£	£
Profit before taxation	1,764,449	451,212
Depreciation charges	415,830	327,499
Loss on disposal of fixed assets	-	83
Gain on revaluation of fixed assets	(35,890)	(60,033)
Finance costs	5,400	11,018
Finance income	(100)	(593)
	<hr/>	<hr/>
	2,149,689	729,186
Decrease in stocks	742,420	353,866
Increase in trade and other debtors	(2,500,812)	(71,077)
(Decrease)/increase in trade and other creditors	(1,648,793)	3,381,777
	<hr/>	<hr/>
Cash generated from operations	(1,257,496)	4,393,752
	<hr/>	<hr/>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	461,423	1,976,762
	<hr/>	<hr/>

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	1,976,762	903,159
	<hr/>	<hr/>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22	Cash flow	At 31.3.23
	£	£	£
Net cash			
Cash at bank and in hand	1,976,762	(1,515,339)	461,423
	<hr/>	<hr/>	<hr/>
	1,976,762	(1,515,339)	461,423
	<hr/>	<hr/>	<hr/>
Debt			
Finance leases	(97,267)	55,373	(41,894)
	<hr/>	<hr/>	<hr/>
	(97,267)	55,373	(41,894)
	<hr/>	<hr/>	<hr/>
Total	1,879,495	(1,459,966)	419,529
	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

Gusto Group Limited (Registered number: 02713601)

Notes to the Consolidated Financial Statements
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

Gusto Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2021, is being amortised evenly over its estimated useful life of ten years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and Buildings	- 2% on cost
Plant and machinery	- 25% on reducing balance and 10% on cost
Fixtures and fittings	- 25% on reducing balance and 10% on cost
Motor vehicles	- 25% on reducing balance
Other assets	- 33.33% Straight line and 10% on cost

Investments in associates

Investments in associate undertakings are recognised at cost.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

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

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of each business.

Turnover has been wholly generated within the UK.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	4,208,990	3,611,982
Social security costs	8,862	9,250
Other pension costs	7,341	6,503
	<u>4,225,193</u>	<u>3,627,735</u>

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

	2023	2022
Average number of employees	<u>146</u>	<u>137</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 146 (2022 - 125).

	2023	2022
	£	£
Directors' remuneration	<u>51,000</u>	<u>36,000</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2023	2022
	£	£
Depreciation - owned assets	384,008	295,676
Loss on disposal of fixed assets	-	83
Goodwill amortisation	<u>31,821</u>	<u>31,821</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank interest	-	4
Loan interest	-	3,300
Hire purchase	5,400	7,714
	<u>5,400</u>	<u>11,018</u>

Gusto Group Limited (Registered number: 02713601)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	240,156	44,941
Corporation tax adj re p/y	(4,615)	-
Total current tax	<u>235,541</u>	<u>44,941</u>
Deferred tax	<u>121,377</u>	<u>24,694</u>
Tax on profit	<u><u>356,918</u></u>	<u><u>69,635</u></u>

Tax effects relating to effects of other comprehensive income

	2023	2022
	Gross Tax	Net
	£	£
Additional investment in subsidiary	<u>(6,220)</u>	<u>(6,220)</u>
	2022	2022
	Gross Tax	Net
	£	£
Goodwill on increase in investment	<u>(3,440)</u>	<u>(3,440)</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. DIVIDENDS

	2023	2022
	£	£
Ordinary shares of 1.00 each		
Interim	<u>24,000</u>	<u>22,400</u>

10. INTANGIBLE FIXED ASSETS

Group

	Goodwill
	£
COST	
At 1 April 2022	
and 31 March 2023	<u>380,863</u>
AMORTISATION	
At 1 April 2022	94,474
Amortisation for year	<u>31,821</u>
At 31 March 2023	<u>126,295</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>254,568</u></u>
At 31 March 2022	<u><u>286,389</u></u>

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

11. TANGIBLE FIXED ASSETS

Group

	Land and Buildings £	Plant and machinery £	Fixtures and fittings £
COST OR VALUATION			
At 1 April 2022	930,250	2,850,709	588,739
Additions	-	338,861	85,664
Revaluations	9,750	-	-
At 31 March 2023	940,000	3,189,570	674,403
DEPRECIATION			
At 1 April 2022	-	810,741	314,160
Charge for year	-	278,016	73,899
At 31 March 2023	-	1,088,757	388,059
NET BOOK VALUE			
At 31 March 2023	940,000	2,100,813	286,344
At 31 March 2022	930,250	2,039,968	274,579
	Motor vehicles £	Other assets £	Totals £
COST OR VALUATION			
At 1 April 2022	79,706	214,016	4,663,420
Additions	-	-	424,525
Revaluations	-	-	9,750
At 31 March 2023	79,706	214,016	5,097,695
DEPRECIATION			
At 1 April 2022	44,181	120,007	1,289,089
Charge for year	8,883	23,210	384,008
At 31 March 2023	53,064	143,217	1,673,097
NET BOOK VALUE			
At 31 March 2023	26,642	70,799	3,424,598
At 31 March 2022	35,525	94,009	3,374,331

Cost or valuation at 31 March 2023 is represented by:

	Land and Buildings £	Plant and machinery £	Fixtures and fittings £
Valuation in 2023	9,750	-	-
Cost	930,250	3,189,570	674,403
	940,000	3,189,570	674,403

Gusto Group Limited (Registered number: 02713601)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

11. TANGIBLE FIXED ASSETS - continued

Group

	Motor vehicles £	Other assets £	Totals £
Valuation in 2023	-	-	9,750
Cost	79,706	214,016	5,087,945
	<u>79,706</u>	<u>214,016</u>	<u>5,097,695</u>

Company

	Land and Buildings £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 April 2022	450,000	135,137	79,705	664,842
Additions	-	10,896	-	10,896
At 31 March 2023	<u>450,000</u>	<u>146,033</u>	<u>79,705</u>	<u>675,738</u>
DEPRECIATION				
At 1 April 2022	-	94,772	44,181	138,953
Charge for year	-	10,154	8,883	19,037
At 31 March 2023	<u>-</u>	<u>104,926</u>	<u>53,064</u>	<u>157,990</u>
NET BOOK VALUE				
At 31 March 2023	<u>450,000</u>	<u>41,107</u>	<u>26,641</u>	<u>517,748</u>
At 31 March 2022	<u>450,000</u>	<u>40,365</u>	<u>35,524</u>	<u>525,889</u>

12. FIXED ASSET INVESTMENTS

Group

	Interest in associate £	Interest in other participating interests £	Totals £
COST			
At 1 April 2022	2,500	50,000	52,500
Additions	-	246,230	246,230
At 31 March 2023	<u>2,500</u>	<u>296,230</u>	<u>298,730</u>
NET BOOK VALUE			
At 31 March 2023	<u>2,500</u>	<u>296,230</u>	<u>298,730</u>
At 31 March 2022	<u>2,500</u>	<u>50,000</u>	<u>52,500</u>

Gusto Group Limited (Registered number: 02713601)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

12. **FIXED ASSET INVESTMENTS - continued**

Company

	Shares in group undertakings £	Interest in associate £	Interest in other participating interests £	Totals £
COST				
At 1 April 2022	944,678	2,500	50,000	997,178
Additions	9,045	-	246,230	255,275
At 31 March 2023	953,723	2,500	296,230	1,252,453
NET BOOK VALUE				
At 31 March 2023	953,723	2,500	296,230	1,252,453
At 31 March 2022	944,678	2,500	50,000	997,178

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Rototek

Registered office: Gusto House, Collingham, Nottinghamshire
Nature of business: Manufacturing

Class of shares:	% holding		
Ordinary shares	56.99		
B & C shares	100.00		
		2023	31.3.22
		£	£
Aggregate capital and reserves		4,987,160	3,663,153
Profit for the year/period		1,321,249	927,523

Gusto Developments Limited

Registered office: Gusto House, Collingham, Nottinghamshire
Nature of business: Development of building projects

Class of shares:	% holding		
Ordinary	100.00		
		2023	2022
		£	£
Aggregate capital and reserves		312,929	334,703
Loss for the year		(21,774)	(263,191)

Gusto Homes Limited

Registered office: Gusto House, Collingham, Nottinghamshire
Nature of business: Development of building projects

Class of shares:	% holding		
Ordinary	100.00		
		2023	2022
		£	£
Aggregate capital and reserves		696,514	637,395
Profit for the year		30,421	146,915

Gusto Group Limited (Registered number: 02713601)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

12. **FIXED ASSET INVESTMENTS - continued**

Gusto Direct Limited

Registered office: Gusto House, Collingham, Nottinghamshire

Nature of business: Retail sales

	% holding	2023	2022
Class of shares:		£	£
Ordinary	100.00	24,971	26,698
Aggregate capital and reserves		(1,727)	(12,846)
Loss for the year			

This company is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual accounts by virtue of Section 479A.

Gusto Estates Limited

Registered office: Millenium Green Business Centre, Collingham, Nottinghamshire

Nature of business: Letting of real estate

	% holding	2023	31.3.22
Class of shares:		£	£
Ordinary	100.00	48,931	13,464
Aggregate capital and reserves		35,467	13,454
Profit for the year/period			

Gusto Ventures Limited

Registered office: 30 Woodlands Edge, North Carlton, Lincolnshire

Nature of business: Supports group activities

	% holding	2023	2022
Class of shares:		£	£
Ordinary	100.00	(85,597)	654
Aggregate capital and reserves		(86,247)	650
(Loss)/profit for the year			

This company is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual accounts by virtue of Section 479A.

Associated company

Gusto Construction Limited

Registered office: Gusto House, Collingham, Nottinghamshire

Nature of business: Construction of buildings

	% holding	2023	2022
Class of shares:		£	£
Ordinary	100.00	3,344,728	3,164,412
Ordinary A	52.62	204,316	526,289
Aggregate capital and reserves			
Profit for the year			

Gusto Group Limited (Registered number: 02713601)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

13. INVESTMENT PROPERTY

Group

	Total £
FAIR VALUE	
At 1 April 2022	1,986,378
Additions	478,040
Revaluations	26,140
At 31 March 2023	<u>2,490,558</u>
NET BOOK VALUE	
At 31 March 2023	<u>2,490,558</u>
At 31 March 2022	<u>1,986,378</u>
Fair value at 31 March 2023 is represented by:	
	£
Valuation in 2023	26,140
Cost	<u>2,464,418</u>
	<u>2,490,558</u>

14. STOCKS

	Group	
	2023 £	2022 £
Finished goods	<u>2,791,382</u>	<u>3,533,802</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	2,377,120	2,838,107	162,835	44,093
Amounts owed by group undertakings	-	-	6,516,375	5,752,269
Amounts owed by participating interests	51,817	42,704	51,817	42,704
Other debtors	1,040,975	24,510	5,676	-
Assets under construction	2,511,750	567,494	-	-
Prepayments	55,508	54,430	11,533	9,660
	<u>6,037,170</u>	<u>3,527,245</u>	<u>6,748,236</u>	<u>5,848,726</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Hire purchase contracts (see note 18)	41,894	55,422	-	-
Trade creditors	1,103,096	1,347,426	12,874	3,683
Net wages liabilities	238,286	202,069	-	-
Amounts owed to participating interests	-	2,000,000	-	2,000,000
Tax	274,618	45,293	26,447	7,676
Social security and other taxes	91,052	71,792	4,456	5,279
VAT	189,217	154,455	47,539	16,904
Other creditors	47,449	5,362,523	2,864	5,000,946
Accrued expenses	62,202	141,830	9,000	3,600
	<u>2,047,814</u>	<u>9,380,810</u>	<u>103,180</u>	<u>7,038,088</u>

Gusto Group Limited (Registered number: 02713601)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023**

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Hire purchase contracts (see note 18)	-	41,845	-	-
Amounts owed to group undertakings	-	-	350,000	-
Amounts owed to participating interests	3,000,000	-	3,000,000	-
Other creditors	3,900,000	-	3,900,000	-
Other loans	20,000	20,000	-	-
	<u>6,920,000</u>	<u>61,845</u>	<u>7,250,000</u>	<u>-</u>

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Hire purchase contracts	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	41,894	55,422
Between one and five years	-	41,845
	<u>41,894</u>	<u>97,267</u>

19. PROVISIONS FOR LIABILITIES

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Deferred tax	<u>439,719</u>	<u>318,342</u>	<u>12,900</u>	<u>12,900</u>
Group				
				Deferred tax
				£
Balance at 1 April 2022				318,342
Provided during year				<u>121,377</u>
Balance at 31 March 2023				<u>439,719</u>
Company				
				Deferred tax
				£
Balance at 1 April 2022				12,900
Balance at 31 March 2023				<u>12,900</u>

Gusto Group Limited (Registered number: 02713601)

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 March 2023

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2023 £	2022 £
2	Ordinary	1.00	2	2
9,498	Ordinary A	1.00	9,498	9,498
500	Ordinary B	1.00	500	500
			<u>10,000</u>	<u>10,000</u>

21. RESERVES

Group

	Retained earnings £	Share premium £	Totals £
At 1 April 2022	3,297,824	292,002	3,589,826
Profit for the year	952,259		952,259
Dividends	(24,000)		(24,000)
Goodwill on investment	(6,220)	-	(6,220)
At 31 March 2023	<u>4,219,863</u>	<u>292,002</u>	<u>4,511,865</u>

22. NON-CONTROLLING INTERESTS

Non controlling interests relate to shares held by non group companies in Rototek Limited.