

REGISTERED NUMBER: 05728908 (England and Wales)

COMPLETE CORE BUSINESS SOLUTIONS LIMITED
STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021



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FOR THE YEAR ENDED 31 MARCH 2021**

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COMPLETE CORE BUSINESS SOLUTIONS LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2021**

DIRECTORS:

S N Nicholls
J Nicholls

SECRETARY:

R E Nicholls

REGISTERED OFFICE:

Unit 6
Ynysboeth Factory Estate
Abercynon
Mountain Ash
CF45 4SF

REGISTERED NUMBER:

05728908 (England and Wales)

AUDITORS:

Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their strategic report for the year ended 31 March 2021.

REVIEW OF BUSINESS

The financial year 2020/21 saw a significant increase in sales value, predominately driven by the launch of new products with high raw material values. This resulted in an increase in turnover for the year ended 31st March 2021 to £16.15 million, against that of £10.4 million for the previous financial year. Gross profit was up by £1 million (£3.97 million vs £2.96 million). The year-end pre-tax profit for the year ended 31st March 2021 although up slightly at £2.1 million from the previous year of £1.9 million reflects an extraordinary loss on the sale of a building asset.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk management

The company's operations expose it to a variety of financial risks that include the effects of changes in market prices and credit risk. The company has in place a risk management programme that seeks to limit adverse effects on the financial performance of the company by monitoring market prices and maintaining close control over debtors.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit risk

The company pursues policies that require appropriate credit checks on potential customers before sales are made. Customers are assigned credit limits and overdue debts are chased on a regular basis.

Liquidity risk and cash flow

The company actively monitors its liquidity and cash flow position to ensure it has sufficient cash in order to fund its activities.

DEVELOPMENT AND PERFORMANCE

The company has continued to focus on its sole activity of the production of Filter Tips for the Tobacco Industry. The year has seen the benefit of the launch of the products that were in development in the previous year. These are labour intensive and therefore the company has experienced an impact on its productivity and efficiencies.

Our drive to improve business performance will continue with investment in automated equipment to replace current labour-intensive products. Given the above performance and strategies the directors feel confident about the future and profitability of the business.

KEY PERFORMANCE INDICATORS

The directors and senior management team review the financial results monthly, focusing on sales, costs, profitability and working capital control. Each part of the business monitors a series of KPI's, all aligned to the annual, mid and long-term objectives.

FUTURE DEVELOPMENTS

With the advent of Brexit now behind us, the company's efforts and preparedness for the legislative changes have paid off. We have come through these changes without any impact on our raw materials or finished goods deliveries. We have taken further action, employing the services of an external consultant to complete a full audit on our systems, paperwork and processes to ensure that we are correctly following the legal requirements to allow unimpeded customs approval for our ongoing import/export business activity. This audit has confirmed that we are inline with the legislative requirements and therefore expect no impact to the business going forward.

ON BEHALF OF THE BOARD:


.....
S N Nicholls - Director

Date: 28/10/2021.....

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report with the financial statements of the company for the year ended 31 March 2021.

PRINCIPAL ACTIVITY

The principal activity of the company continues to be that of the manufacture of cigarette tips for the tobacco industry.

DIVIDENDS

An interim dividend was voted on 22 January 2021 at £1,310 per share for A Ordinary shares and at £760 per share for B Ordinary shares. No final dividend has been voted.

The total distribution of dividends for the year ended 31 March 2021 will be £163,770.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

S N Nicholls
J Nicholls

DISCLOSURE IN THE STRATEGIC REPORT

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the company's strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors' report. It has done so in respect of future developments and financial risk management.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the 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 of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD


.....
S N Nicholls - Director

Date: 28.10.2021.....

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMPLETE CORE BUSINESS SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Complete Core Business Solutions Limited (the 'company') for the year ended 31 March 2021 which comprise the Profit and loss account, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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 company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern in exceptional or unforeseen circumstances.

Other information

The directors are responsible for the other information. The other information comprises the information in the 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 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 Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMPLETE CORE BUSINESS SOLUTIONS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the 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, 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

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

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.

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:

Based on our understanding of both the company and industry, we identified the principal risks of non-compliance with laws and regulations, including those related to UK tax legislation and considered the extent to which any non-compliance might have on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and ensured that all those involved in the audit undergo regular update training, including on how to identify or recognise fraud and non-compliance with laws and regulations.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inaccurate journals and management bias in accounting estimates. We addressed these risks by carrying out specifically targeted procedures, which included:

- discussions with management, including consideration of any known or suspected instances of non-compliance with laws and regulations and/or fraud;
- the appropriateness of journal entries and other adjustments;
- challenging management in relation to significant accounting estimates;
- evaluating the reasons for any large or unusual transactions;
- reviewing disclosures in the financial statements to underlying supporting documentation

As outlined above, reasonable assurance is a high level of assurance, but is not a guarantee that a material misstatement may always be detected. The extent to which our procedures are capable of detecting material misstatements or irregularities, including fraud, is therefore subject to the inherent limitations of an audit. There is therefore, an unavoidable risk that a material misstatement may not come to light, in particular, where non-compliance with laws and regulations are remote from events and transactions reflected in the financial statements or where fraud or errors arise due to intentional misrepresentation, forgery, concealment, management override and/or collusion.

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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
COMPLETE CORE BUSINESS SOLUTIONS LIMITED**

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.

Julia Mortimer (Senior Statutory Auditor)
for and on behalf of Watts Gregory LLP
Chartered Accountants & Statutory Auditors
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 3 November 2021

COMPLETE CORE BUSINESS SOLUTIONS LIMITED (REGISTERED NUMBER: 05728908)

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020
	Notes	£	as restated £
TURNOVER	3	16,150,774	10,485,403
Cost of sales		(12,185,162)	(7,526,312)
GROSS PROFIT		3,965,612	2,959,091
Administrative expenses		(1,307,603)	(1,105,751)
		2,658,009	1,853,340
Other operating income		107,198	106,400
OPERATING PROFIT	5	2,765,207	1,959,740
Loss on sale of tangible fixed asset	7	(673,847)	-
		2,091,360	1,959,740
Interest receivable and similar income		6,607	37,948
PROFIT BEFORE TAXATION		2,097,967	1,997,688
Tax on profit	8	(460,347)	(403,000)
PROFIT FOR THE FINANCIAL YEAR		1,637,620	1,594,688
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,637,620	1,594,688

The notes form part of these financial statements

COMPLETE CORE BUSINESS SOLUTIONS LIMITED (REGISTERED NUMBER: 05728908)

**BALANCE SHEET
31 MARCH 2021**

		2021	2020
		£	as restated £
FIXED ASSETS			
Tangible assets	11	1,125,693	3,420,446
CURRENT ASSETS			
Stocks	12	1,960,570	1,391,237
Debtors	13	3,877,711	1,486,836
Cash at bank and in hand		6,533,020	5,869,606
		12,371,301	8,747,679
CREDITORS			
Amounts falling due within one year	14	(2,085,092)	(2,113,063)
NET CURRENT ASSETS		10,286,209	6,634,616
TOTAL ASSETS LESS CURRENT LIABILITIES		11,411,902	10,055,062
PROVISIONS FOR LIABILITIES	17	(57,418)	(174,428)
NET ASSETS		11,354,484	9,880,634
CAPITAL AND RESERVES			
Called up share capital	18	167	167
Retained earnings		11,354,317	9,880,467
SHAREHOLDERS' FUNDS		11,354,484	9,880,634

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 25.10.2021 and were signed on its behalf by:


S N Nicholls - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2019	167	10,026,688	10,026,855
Changes in equity			
Dividends	-	(1,740,909)	(1,740,909)
Total comprehensive income	-	1,594,688	1,594,688
Balance at 31 March 2020	167	9,880,467	9,880,634
Changes in equity			
Dividends	-	(163,770)	(163,770)
Total comprehensive income	-	1,637,620	1,637,620
Balance at 31 March 2021	167	11,354,317	11,354,484

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020
		£	as restated £
Cash flows from operating activities	Notes		
Cash generated from operations	1	459,911	1,987,283
Tax paid		(425,889)	(269,999)
Net cash from operating activities		34,022	1,717,284
Cash flows from investing activities			
Purchase of tangible fixed assets		(47,841)	(468,451)
Sale of tangible fixed assets		1,350,000	-
Interest received		6,607	37,948
Net cash from investing activities		1,308,766	(430,503)
Cash flows from financing activities			
Capital repayments in year		(715)	(2,771)
Amount introduced by directors		164,590	1,744,367
Amount withdrawn by directors		(679,479)	(1,404,101)
Equity dividends paid		(163,770)	(1,740,909)
Net cash from financing activities		(679,374)	(1,403,414)
Increase/(decrease) in cash and cash equivalents		663,414	(116,633)
Cash and cash equivalents at beginning of year	2	5,869,606	5,986,239
Cash and cash equivalents at end of year	2	6,533,020	5,869,606

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

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

	2021	2020 as restated
	£	£
Profit before taxation	2,097,967	1,997,688
Depreciation charges	286,840	258,074
Loss on disposal of fixed assets	705,754	-
Finance income	(6,607)	(37,948)
	<u>3,083,954</u>	<u>2,217,814</u>
Increase in stocks	(569,333)	(66,818)
Increase in trade and other debtors	(2,390,875)	(249,743)
Increase in trade and other creditors	336,165	86,030
	<u>459,911</u>	<u>1,987,283</u>
Cash generated from operations		

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 2021

	31/3/21	1/4/20
	£	£
Cash and cash equivalents	<u>6,533,020</u>	<u>5,869,606</u>

Year ended 31 March 2020

	31/3/20	1/4/19
	£	£
Cash and cash equivalents	<u>5,869,606</u>	<u>5,986,239</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20	Cash flow	At 31/3/21
	£	£	£
Net cash			
Cash at bank and in hand	<u>5,869,606</u>	<u>663,414</u>	<u>6,533,020</u>
	<u>5,869,606</u>	<u>663,414</u>	<u>6,533,020</u>
Debt			
Finance leases	<u>(715)</u>	<u>715</u>	<u>-</u>
	<u>(715)</u>	<u>715</u>	<u>-</u>
Total	<u>5,868,891</u>	<u>664,129</u>	<u>6,533,020</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. STATUTORY INFORMATION

Complete Core Business Solutions Limited is a private company, limited by shares, incorporated in Wales in the United Kingdom. The registered office is Unit 6, Ynysboeth Factory Estate, Abercynon, Mountain Ash, CF45 4SF. The nature of the company's operations and principal activities are that of the manufacture of cigarette tips for the tobacco industry.

The financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

The significant accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all periods presented unless otherwise stated.

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.

There have been no material departures from Financial Reporting Standard 102.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for the sale of cigarette tips and related products, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Land and Property	- 2% on cost
Plant and machinery	- 20% on reducing balance
Fixtures and Fittings	- 20% on reducing balance

Fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, after making due allowance for obsolete and slow moving items. Cost comprises the original purchase price, additional post-purchase costs, less any stock write-downs.

Finished goods are valued at the sales price as they are made to contract, and are recognised as a debtor.

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is shorter.

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

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Employee benefits

When employees have rendered service to the company, short-term employee benefits to which employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

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.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the cash flow statement, cash and cash equivalents are net of bank overdrafts which are repayable on demand

Significant accounting judgements and estimates

Estimates and judgements are continually evaluated and are based on historical experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, be likely to differ from the related actual results. There are no estimates and assumptions that have significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3. TURNOVER

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

An analysis of turnover by class of business is given below:

	2021	2020 as restated
	£	£
Sale of goods	16,150,774	10,485,403
	<u>16,150,774</u>	<u>10,485,403</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 20213. **TURNOVER - continued**

An analysis of turnover by geographical market is given below:

	2021	2020 as restated
	£	£
United Kingdom	4,291,293	1,616,390
Overseas	11,859,481	8,869,013
	<u>16,150,774</u>	<u>10,485,403</u>

4. **EMPLOYEES AND DIRECTORS**

	2021	2020 as restated
	£	£
Wages and salaries	1,552,540	1,192,996
Social security costs	124,034	105,555
Other pension costs	110,500	47,464
	<u>1,787,074</u>	<u>1,346,015</u>

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

	2021	2020 as restated
Director	2	2
Administration	10	12
Production	35	32
	<u>47</u>	<u>46</u>

	2021	2020 as restated
	£	£
Directors' remuneration	24,244	22,174
Directors' pension contributions to money purchase schemes	<u>80,000</u>	<u>20,000</u>

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

	2021	2020
Money purchase schemes	<u>2</u>	<u>2</u>

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	2021	2020 as restated
	£	£
Hire of plant and machinery	32,854	41,344
Depreciation - owned assets	285,936	256,945
Depreciation - assets on hire purchase contracts	904	1,130
Loss on disposal of fixed assets	31,907	-
Foreign exchange differences	7,461	4,647
Operating lease payments	<u>17,472</u>	<u>16,862</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

6. AUDITORS' REMUNERATION

	2021	2020 as restated
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>5,800</u>	<u>7,750</u>

7. EXCEPTIONAL ITEMS

	2021	2020 as restated
	£	£
Loss on sale of tangible fixed asset	<u>(673,847)</u>	<u>-</u>

During the year, the company sold freehold property at a market value for £1,350,000 (excluding legal costs) to Complete Co-Packing Services Limited, a company under common control.

8. TAXATION

Analysis of the tax charge

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

	2021	2020 as restated
	£	£
Current tax:		
UK corporation tax	569,555	345,917
(Over)/under provision in prior year	<u>7,802</u>	<u>6,133</u>
Total current tax	<u>577,357</u>	<u>352,050</u>
Deferred tax	<u>(117,010)</u>	<u>50,950</u>
Tax on profit	<u>460,347</u>	<u>403,000</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020 as restated
	£	£
Profit before tax	<u>2,097,967</u>	<u>1,997,688</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	398,614	379,561
Effects of:		
Expenses not deductible for tax purposes	28	637
Depreciation in excess of capital allowances	-	9,556
Deferred tax not provided on capital loss	53,903	-
Difference in tax rates	-	14,527
Underprovision in prior years	7,802	6,133
Capital expenditure	-	1,436
Difference to tax comp	-	(8,850)
Total tax charge	<u>460,347</u>	<u>403,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

9. DIVIDENDS

	2021 £	2020 £
'A' Ordinary shares of £1 each Interim	76,000	807,800
'B' Ordinary shares of £1 each Interim	87,770	933,109
	<u>163,770</u>	<u>1,740,909</u>

10. PRIOR YEAR ADJUSTMENT

The allocation of management charges in the prior year has been re-categorised. This has led to a decrease in administrative costs of £97,088 and an increase in cost of sales of £97,088. There is no tax effect of this adjustment.

11. TANGIBLE FIXED ASSETS

	Land and Property £	Plant and machinery £	Fixtures and Fittings £	Totals £
COST				
At 1 April 2020	2,416,783	2,169,552	233,168	4,819,503
Additions	-	32,441	15,400	47,841
Disposals	(1,533,666)	(871,658)	(111,388)	(2,516,712)
At 31 March 2021	<u>883,117</u>	<u>1,330,335</u>	<u>137,180</u>	<u>2,350,632</u>
DEPRECIATION				
At 1 April 2020	179,998	1,116,596	102,463	1,399,057
Charge for year	45,429	214,229	27,182	286,840
Eliminated on disposal	(90,443)	(310,180)	(60,335)	(460,958)
At 31 March 2021	<u>134,984</u>	<u>1,020,645</u>	<u>69,310</u>	<u>1,224,939</u>
NET BOOK VALUE				
At 31 March 2021	<u>748,133</u>	<u>309,690</u>	<u>67,870</u>	<u>1,125,693</u>
At 31 March 2020	<u>2,236,785</u>	<u>1,052,956</u>	<u>130,705</u>	<u>3,420,446</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

11. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 April 2020	7,994
Transfer to ownership	(7,994)
At 31 March 2021	-
DEPRECIATION	
At 1 April 2020	3,474
Charge for year	904
Transfer to ownership	(4,378)
At 31 March 2021	-
NET BOOK VALUE	
At 31 March 2021	-
At 31 March 2020	4,520

12. STOCKS

	2021 £	2020 as restated £
Raw materials	1,960,570	1,391,237

13. DEBTORS

	2021 £	2020 as restated £
Amounts falling due within one year:		
Trade debtors	1,369,221	1,297,178
Amounts recoverable on contract	249,885	93,969
Other debtors	495,379	52,116
Prepayments and accrued income	143,226	43,573
	2,257,711	1,486,836
Amounts falling due after more than one year:		
Other debtors	1,620,000	-
Aggregate amounts	3,877,711	1,486,836

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020 as restated
	£	£
Hire purchase contracts (see note 15)	-	715
Trade creditors	1,039,924	1,021,656
Corporation tax	269,555	118,087
VAT	309,888	37,972
Directors' current account	125,405	640,294
Accruals and deferred income	340,320	294,339
	<u>2,085,092</u>	<u>2,113,063</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts 2021	2020 as restated
	£	£
Net obligations repayable: Within one year	-	715

	Non-cancellable operating leases	
	2021	2020 as restated
	£	£
Within one year	13,557	16,987
Between one and five years	2,215	18,389
	<u>15,772</u>	<u>35,376</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020 as restated
	£	£
Hire purchase contracts	-	715

Amounts owed in respect of hire purchase obligations are secured on the assets to which they relate.

17. PROVISIONS FOR LIABILITIES

	2021	2020 as restated
	£	£
Deferred tax	<u>57,418</u>	<u>174,428</u>
		Deferred tax
		£
Balance at 1 April 2020		174,428
Credit to Profit and loss account during year		<u>(117,010)</u>
Balance at 31 March 2021		<u>57,418</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

17. PROVISIONS FOR LIABILITIES - continued

The deferred tax balance has arisen due to fixed asset timing differences.

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020 as restated
Number:	Class:		£	£
100	'A' Ordinary	£1	100	100
67	'B' Ordinary	£1	67	67
			<u>167</u>	<u>167</u>

19. PENSION COMMITMENTS

The company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. During the year pension contributions of £30,500 (2020: £27,464) were made to the scheme. There were outstanding payments at the end of the year of £354 (2020: £5,681).

20. CAPITAL COMMITMENTS

	2021	2020 as restated
	£	£
Contracted but not provided for in the financial statements	<u>283,352</u>	<u>-</u>

The above commitment is in relation to an amount of contractual commitment for the acquisition of a new machine.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

21. RELATED PARTY DISCLOSURES

During the year, the company entered into transactions, in the ordinary course of business, with its related parties. Transactions entered into, and balances outstanding at the year end are as follows:

Name	Nature of transaction	2021 £	2020 £
Entities under common control	Sales	101,406	144,311
	Management charges receivable	626,417	394,688
Key management personnel	Dividends	151,980	1,615,566
	Emoluments	161,778	107,793
Other related parties	Dividends	11,790	125,343

The following balances existed with the company's related parties as at 31 March 2021:

Name	Nature of balance	2021 £	2020 £
Entities under common control	Other debtor	2,115,379	52,116
	Trade creditors	359,735	-
Key management personnel	Current account	125,405	640,294

During the year, the company sold freehold property at a market value for £1,350,000 (excluding legal costs) to Complete Co-Packing Services Limited, a company under common control.