

Company Registration number: 05760193

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

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DARTINGTON CRYSTAL (TORRINGTON) LIMITED
CONTENTS

Company Information	1
Strategic Report	2
Directors' Report	3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 7
Profit and Loss Account	8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 25

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
COMPANY INFORMATION

Directors N Hughes
 A Ramsay
 R Halliday
 J Paveley

Registered office Dartington Crystal Town Park
 School Lane
 Torrington
 Devon
 EX38 7AN

Auditors Albert Goodman LLP
 Goodwood House
 Blackbrook Park Avenue
 Taunton
 Somerset
 TA1 2PX

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their strategic report for the year ended 31 December 2019.

Principal activity

The principal activity of the company is the manufacture and distribution of fine crystal, glass stemware, giftware and ceramics under the brands of Dartington Crystal, Royal Brierley Crystal, Caithness Glass and John Beswick. In addition to this the company is the exclusive selling agent and distributor for Top Choice ceramics in the UK.

Fair review of the business

Despite a challenging year and a decrease in turnover on account of Brexit uncertainty, the Company was able to achieve a significant increase in profit. Online and premium spirit sales were contributing factors to the increased profitability.

The Company remains the UK's only large scale producer of crystal and glass, and continues to operate from its manufacturing facilities in Torrington, North Devon, and Crieff, Central Scotland. The management buyout in November 2019 saw the renewal of the two Royal Warrants servicing the households of Her Majesty the Queen and the Prince of Wales.

2019 saw a considerable increase in interest and demand from premium spirit producers and product development has continued into 2020.

Turnover for the year decreased by 8% to £13.066m, while profit before tax increased by 84% to £357k.

2020 has brought exceptional challenges as it has done for businesses throughout the country however the Company has seen unexpected growth following the Covid outbreak in a number of markets. Despite being prominent in the luxury goods sector, revenue and profit expectations in this difficult climate are growing monthly and a strong result is expected for the financial year.

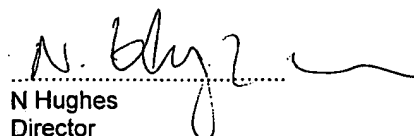
Principal risks and uncertainties

The highly specialised skill sets of the production workers always remains a dependency, particularly in glass blowing, however on-going training and staff retention remain at the forefront of our policies to ensure that the skill levels throughout the business continue to be retained and improved. In 2019 one of the Company's employees embarked on the Queen Elizabeth Scholarship Trust programme and this will continue for a further 2 years.

The results were again significantly affected by the weak pound, however the Company continues to transact in forward exchange deals to protect its margin.

Our diverse customer base includes both individuals and retailers and whilst our customers are feeling the impact of the overall economy, demand for our excellent product range remains strong.

Approved by the Board on 2/10/20 and signed on its behalf by:


N Hughes
Director

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their report and the financial statements for the year ended 31 December 2019.

Directors of the company

The directors who held office during the year were as follows:

N Hughes

A Ramsay

R Halliday

J Paveley (appointed 1 September 2019)

Financial instruments

Objectives and policies

The company's principal financial instruments at the year-end comprise bank balances, invoice and stock financing, trade creditors and debtors and loans provided to the company largely by shareholders. The main purpose of these instruments is to provide finance for the company's operations and growth. The company's approach to managing risks applicable to the financial instruments is detailed below.

Price risk, credit risk, liquidity risk and cash flow risk

The short term bank funding used by the company is at variable rates and therefore the company is subject to changes in interest rates charged by its bankers. Trade debtors are managed in respect of credit and cashflow with policies in place for credit offered to customers and regular monitoring of amounts outstanding. The company closely monitors and forecasts its cash flow so that availability of funds is managed, using the short term financial instruments available appropriately.

Future Developments

The future developments of the business are included within the strategic report.

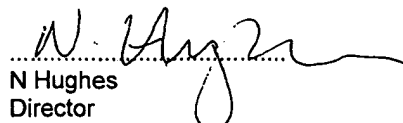
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Reappointment of auditors

The auditors Albert Goodman LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 2/10/20 and signed on its behalf by:


N Hughes
Director

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DARTINGTON CRYSTAL
(TORRINGTON) LIMITED**

Opinion

We have audited the financial statements of Dartington Crystal (Torrington) Limited (the 'company') for the year ended 31 December 2019, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and 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 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DARTINGTON CRYSTAL
(TORRINGTON) LIMITED**

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 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.

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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

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 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DARTINGTON CRYSTAL
(TORRINGTON) LIMITED**

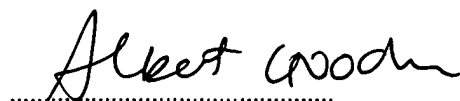
Use of our report

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 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.

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.

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 auditor's report.



Alison Kerr FCA (Senior Statutory Auditor)
For and on behalf of Albert Goodman LLP, Statutory Auditor

Goodwood House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Date: 2 October 2020

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2019

	Note	2019 £	2018 £
Turnover	3	13,065,684	14,233,689
Cost of sales		<u>(8,174,185)</u>	<u>(9,062,146)</u>
Gross profit		4,891,499	5,171,543
Administrative expenses		(4,456,404)	(4,948,897)
Other operating income	4	<u>35,411</u>	<u>37,108</u>
Operating profit	5	470,506	259,754
Interest payable and similar charges	6	<u>(88,930)</u>	<u>(66,473)</u>
Profit before tax		381,576	193,281
Taxation	10	<u>10,602</u>	<u>(32,910)</u>
Profit for the financial year		<u><u>392,178</u></u>	<u><u>160,371</u></u>

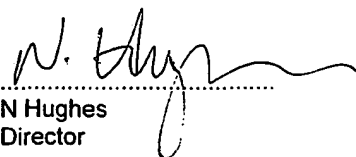
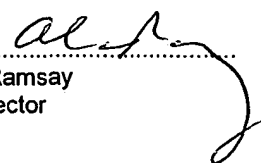
The above results were derived from continuing operations.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019

	2019 £	2018 £
Profit for the year	<u>392,178</u>	<u>160,371</u>
Total comprehensive income for the year	<u><u>392,178</u></u>	<u><u>160,371</u></u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED**(REGISTRATION NUMBER: 05760193)****BALANCE SHEET AS AT 31 DECEMBER 2019**

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	265,211	288,695
Current assets			
Stocks	13	3,166,884	2,812,029
Debtors	14	3,262,594	3,317,446
Cash at bank and in hand		<u>178,965</u>	<u>278,821</u>
		6,608,443	6,408,296
Creditors: Amounts falling due within one year	16	<u>(3,396,213)</u>	<u>(3,520,950)</u>
Net current assets		<u>3,212,230</u>	<u>2,887,346</u>
Total assets less current liabilities		3,477,441	3,176,041
Creditors: Amounts falling due after more than one year	16	(20,000)	(100,000)
Provisions for liabilities	17	<u>(22,184)</u>	<u>(32,962)</u>
Net assets		<u>3,435,257</u>	<u>3,043,079</u>
Capital and reserves			
Called up share capital		221,140	221,140
Capital redemption reserve		157,038	157,038
Profit and loss account		<u>3,057,079</u>	<u>2,664,901</u>
Total equity		<u>3,435,257</u>	<u>3,043,079</u>

Approved and authorised by the Board on 2/10/20 and signed on its behalf by:
N Hughes
Director
A Ramsay
Director

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Ordinary share capital £	Capital redemption reserve £	Profit and loss reserve £	Total £
At 1 January 2019	221,140	157,038	2,664,901	3,043,079
Movement in year:				
Profit for the year	-	-	392,178	392,178
Total comprehensive income	-	-	392,178	392,178
At 31 December 2019	221,140	157,038	3,057,079	3,435,257
	Ordinary share capital £	Capital redemption reserve £	Profit and loss reserve £	Total £
At 1 January 2018	221,140	157,038	2,504,530	2,882,708
Movement in year:				
Profit for the year	-	-	160,371	160,371
Total comprehensive income	-	-	160,371	160,371
At 31 December 2018	221,140	157,038	2,664,901	3,043,079

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Dartington Crystal Town Park
School Lane
Torrington
Devon
EX38 7AN

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The company has used £ Sterling as its presentational currency.

Summary of disclosure exemptions

The entity has opted to take the exemption from preparing a statement of cash flows, net debt reconciliation, and from all disclosure requirements of Section 11, 'Basic financial Instruments' and Section 12, 'Other Financial Instruments Issues', where the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

Name of parent of group

These financial statements are consolidated in the financial statements of Dartington Crystal Holdings Limited.

The financial statements of Dartington Crystal Holdings Limited may be obtained from Companies House, Crown Way, Cardiff.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Judgements

Due to the Covid-19 pandemic and resultant lockdown on 23 March 2020 the company's trading had been disrupted. The directors have taken advantage of support schemes offered, particularly in respect of the job retention scheme. The directors are also looking closely at budgets and forecasts to identify where they can become more efficient.

At the time of approval of these financial statements the company's trade has been increasing and strengthening.

On the basis of the forecasts and taking into account a reasonable assessment of the above uncertainties the directors consider that the company is a going concern and the financial statements have therefore been prepared on this basis.

Turnover recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue for wholesale sales when goods are despatched to customers and for retail sales at the point of sale.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

Tangible assets

Tangible assets are stated at cost, less accumulated depreciation and accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold land and buildings	over the term of the lease straight line
Plant and machinery	over 2 - 5 years straight line
Furniture, fittings and equipment	over 3 - 5 years straight line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtors.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using a weighted average method.

The cost of finished goods, raw materials and consumables comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Reserves

The profit and loss account reserve includes all current and prior period profits and losses.

The capital redemption reserve records the nominal value of shares repurchased by the company.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Defined contribution pension obligation

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

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

DARTINGTON CRYSTAL (TORRINGTON) LIMITED**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2019**

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2019 £	2018 £
Wholesale of goods	11,206,257	12,238,029
Retail sale of goods	1,859,427	1,995,660
	<u>13,065,684</u>	<u>14,233,689</u>

The analysis of the company's turnover for the year by market is as follows:

	2019 £	2018 £
UK	11,369,344	12,492,961
Rest of world	1,696,340	1,740,728
	<u>13,065,684</u>	<u>14,233,689</u>

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2019 £	2018 £
Other income	<u>35,411</u>	<u>37,108</u>

5 Operating profit

Arrived at after charging/(crediting):

	2019 £	2018 £
Depreciation expense	132,000	137,486
Foreign exchange (gains)/losses	(9,736)	5,564
Operating lease expense - property	319,006	280,673
Operating lease expense - plant and machinery	<u>14,307</u>	<u>11,465</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

6 Interest payable and similar expenses

	2019	2018
	£	£
Interest on bank overdrafts and borrowings	39,636	38,340
Interest expense on other finance liabilities	49,294	28,133
	<u>88,930</u>	<u>66,473</u>

7 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2019	2018
	£	£
Wages and salaries	2,926,696	3,042,888
Social security costs	247,546	259,444
Pension costs, defined contribution scheme	77,998	67,467
Other employee expense	37,913	34,951
	<u>3,290,153</u>	<u>3,404,750</u>

The average number of persons employed by the company (including directors) during the year analysed by category was as follows:

	2019	2018
	No.	No.
Production	58	50
Administration and support	38	45
Sales	56	55
	<u>152</u>	<u>150</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	2019	2018
	£	£
Remuneration	377,360	375,421
Contributions paid to money purchase schemes	<u>22,000</u>	<u>19,433</u>
	<u>399,360</u>	<u>394,854</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2019	2018
	No.	No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2019	2018
	£	£
Remuneration	132,789	102,581
Company contributions to money purchase pension schemes	<u>8,800</u>	<u>8,067</u>

9 Auditors' remuneration

	2019	2018
	£	£
Audit of the financial statements	<u>17,700</u>	<u>18,500</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

10 Taxation

Tax charged/(credited) in the profit and loss account:

	2019 £	2018 £
Current taxation		
UK corporation tax	53,675	38,451
UK corporation tax adjustment to prior periods	<u>(53,499)</u>	<u>-</u>
	<u>176</u>	<u>38,451</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(10,778)	(1,041)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	<u>-</u>	<u>(4,500)</u>
Total deferred taxation	<u>(10,778)</u>	<u>(5,541)</u>
Tax (receipt)/expense in the profit and loss account	<u><u>(10,602)</u></u>	<u><u>32,910</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2018 - the same as the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 £	2018 £
Profit before tax	<u>381,576</u>	<u>193,281</u>
Corporation tax at standard rate	72,499	36,723
Effect of expense not deductible in determining taxable profit (tax loss)	1,663	1,536
Effect of tax incentives	(53,192)	-
Tax decrease from other short-term timing differences	(4,972)	(5,349)
Tax decrease arising from group relief	<u>(26,600)</u>	<u>-</u>
Total tax (credit)/charge	<u><u>(10,602)</u></u>	<u><u>32,910</u></u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

11 Tangible assets

	Short leasehold land and buildings £	Furniture, fittings and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2019	57,464	499,426	726,436	1,283,326
Additions	-	63,020	45,496	108,516
At 31 December 2019	<u>57,464</u>	<u>562,446</u>	<u>771,932</u>	<u>1,391,842</u>
Depreciation				
At 1 January 2019	10,196	430,697	553,738	994,631
Charge for the year	<u>3,310</u>	<u>47,580</u>	<u>81,110</u>	<u>132,000</u>
At 31 December 2019	<u>13,506</u>	<u>478,277</u>	<u>634,848</u>	<u>1,126,631</u>
Carrying amount				
At 31 December 2019	<u>43,958</u>	<u>84,169</u>	<u>137,084</u>	<u>265,211</u>
At 31 December 2018	<u>47,268</u>	<u>68,729</u>	<u>172,698</u>	<u>288,695</u>

Included within the net book value of land and buildings above is £43,958 (2018 - £47,268) in respect of short leasehold land and buildings.

Restriction on title and pledged as security

Fixed assets with a carrying amount of £265,211 (2018 - £288,695) has been pledged as security for bank and other borrowings.

12 Investments in subsidiaries, joint ventures and associates

Subsidiaries	£
Cost or valuation	
At 1 January 2019 and 31 December 2019	1
Provision	
At 1 January 2019 and 31 December 2019	<u>1</u>
Carrying amount	
At 31 December 2019	<u>-</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held		
			2019	2018	
Subsidiary undertakings					
Beswick Limited	Linden Torrington, EX38 7AN	Close, Ordinary Devon	100%	100%	
Dartington Glass Limited	Linden Torrington, EX38 7AN	Close, Ordinary Devon	100%	100%	
Dartington Crystal Limited	Linden Torrington, EX38 7AN	Close, Ordinary Devon	100%	100%	

The principal activity of Beswick Limited is holding trademarks and similar items for use within the group.

Dartington Glass Limited and Dartington Crystal Limited are dormant companies.

13 Stocks

	2019 £	2018 £
Raw materials and consumables	529,698	458,751
Finished goods and goods for resale	2,637,186	2,353,278
	<u>3,166,884</u>	<u>2,812,029</u>

The carrying amount of stocks pledged as security for liabilities amounted to £3,166,884 (2018 - £2,812,029).

14 Debtors

	2019 £	2018 £
Trade debtors	2,279,550	2,611,825
Amounts owed by group undertakings	804,054	438,747
Other debtors	1,639	45,322
Prepayments	177,351	221,552
Total current trade and other debtors	<u>3,262,594</u>	<u>3,317,446</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

15 Cash and cash equivalents

	2019 £	2018 £
Cash on hand	5,560	5,991
Cash at bank	<u>173,405</u>	<u>272,830</u>
	<u>178,965</u>	<u>278,821</u>

16 Creditors

	Note	2019 £	2018 £
Due within one year			
Loans and borrowings	19	1,395,633	694,776
Trade creditors		1,077,808	1,492,823
Social security and other taxes		533,276	697,130
Other creditors		6,528	6,487
Accrued expenses		329,293	591,283
Corporation tax	10	<u>53,675</u>	<u>38,451</u>
		<u>3,396,213</u>	<u>3,520,950</u>
Due after one year			
Loans and borrowings	19	<u>20,000</u>	<u>100,000</u>

17 Provisions for liabilities

	Deferred tax £	Total £
At 1 January 2019	32,962	32,962
Increase (decrease) in existing provisions	<u>(10,778)</u>	<u>(10,778)</u>
At 31 December 2019	<u>22,184</u>	<u>22,184</u>

Deferred tax

Deferred tax assets and liabilities:

2019

Accelerated capital allowances

Liability
£

22,184

2018

Accelerated capital allowances

Liability
£

32,962

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

18 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £77,998 (2018 - £67,467).

Contributions totalling £Nil (2018 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

19 Loans and borrowings

	2019 £	2018 £
Current loans and borrowings		
Other borrowings	<u>1,395,633</u>	<u>694,776</u>

	2019 £	2018 £
Non-current loans and borrowings		
Other borrowings	<u>20,000</u>	<u>100,000</u>

Other borrowings

The stock finance account included in other borrowings is denominated in sterling with a nominal interest rate of 3.5%. The carrying amount at the year end is £602,766 (2018 - £452,790). The stock finance account is secured against stock.

The debtor finance account included in other borrowings is denominated in sterling with a nominal interest rate of 2.5%. The carrying amount at the year end is £712,867 (2018 - £181,986). The debtor finance account is secured against trade debtors.

The loan account included in other borrowings is denominated in sterling and is interest free unless the specific loan repayment date of 30 June 2021 is not met, where a nominal interest rate of 8% is charged. The carrying amount at the year end is £100,000 (2018 - £160,000).

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

20 Share capital

Allotted, called up and fully paid shares

	No.	2019 £	No.	2018 £
Ordinary Shares of £0.50 each	402,074	201,037	402,074	201,037
'B' Ordinary Shares of £0.50 each	32,906	16,453	32,906	16,453
'C' Ordinary Shares of £0.05 each	73,000	3,650	73,000	3,650
	<u>507,980</u>	<u>221,140.00</u>	<u>507,980</u>	<u>221,140.00</u>

21 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2019 £	2018 £
Not later than one year	266,079	272,252
Later than one year and not later than five years	1,078,703	1,062,871
Later than five years	<u>1,319,639</u>	<u>1,728,714</u>
	<u>2,664,421</u>	<u>3,063,837</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £263,066 (2018 - £292,138).

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

22 Financial guarantee contracts

On 29 of November 2019 Dartington Crystal Holdings Limited acquired 100% of the share capital of Dartington Crystal (Torrington) Limited during a management buy out. As part of this transaction the company has provided its bankers with an unlimited multilateral guarantee to secure the amounts due to the bank in respect of the other group companies. As at 31 December 2019, group bank borrowings guaranteed for the other companies in the group amount to £1,200,000 (2018 - £1,200,000).

The amount of the financial guarantee contract is £1,200,000.

23 Related party transactions

Key management personnel

The only key management personnel are the directors. The aggregate compensation paid to them is the amount shown in note 8, Directors' Remuneration.

Summary of transactions with parent

Dartington Crystal Holdings Limited

During the year the company made an interest free loan to Dartington Crystal Holdings Limited which is repayable on demand. At the year end the amount due to the company was £804,054 (2018 - £472,824).

24 Parent and ultimate parent undertaking

The company's immediate parent is Dartington Crystal Holdings Limited, incorporated in England and Wales.

25 Non adjusting events after the financial period

The directors have identified the Covid-19 pandemic as a non-adjusting event after the balance sheet date as the pandemic is not indicative of any conditions that were in existence at the year end. Due to the global lockdown restrictions the company, as with every company had a period of uncertainty. Following the easing of lockdown restrictions however, the directors are pleased with trade during the summer and are confident they are well placed for future periods of trade. As stated in the Judgements accounting policy the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Had the conditions existed at the year end the directors do not believe they would have resulted in material changes to the financial position as stated within the company's balance sheet.