

Company Registration number: 05760193

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



DARTINGTON CRYSTAL (TORRINGTON) LIMITED
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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 2020

The directors present their strategic report for the year ended 31 December 2020.

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

During 2020 the Company traded successfully in the majority of markets, maintaining an uninterrupted supply of sourced product from Europe and experiencing only minor administrative changes in relation to Brexit. Covid 19 brought a new set of challenges, and while retail sales were ultimately affected due to imposed periods of lockdown, online and corporate bespoke channels saw significant growth.

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 two Royal Warrants, servicing the households of Her Majesty the Queen and the Prince of Wales, continue to serve the Company well.

Turnover for the year was £10.711m (2019 - £13.066m), with a profit before tax of £536k (2019 - £357k).

2020 brought exceptional challenges as it has done for businesses throughout the country however the Company has seen further growth following the Covid outbreak in a number of markets. Although prominent in the luxury goods sector, revenue and profit expectations in many other sales channels are growing monthly despite the difficult climate, particularly in online sales of both the Company and its partners. With a full year benefit of the significant reduction in the Company's cost base a strong result is expected for the 2021 financial year.

As part of the restructure in 2020, all bank debt and facilities were consolidated into a CBILS loan in the parent company.

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.

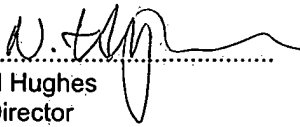
Principal risks and uncertainties

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 the Company's policies to ensure that the skill levels throughout the business continue to be retained and improved.

The results were again significantly affected by the relative weakness of the pound against the euro, however the Company continues to transact in foreign exchange deals to protect its margin.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Approved by the Board on 27/9/21..... and signed on its behalf by:


.....
N Hughes
Director

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

Directors of the company

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

N Hughes

A Ramsay

R Halliday

J Paveley

Financial instruments

Objectives and policies

The company's principal financial instruments at the year-end comprise bank balances, , trade creditors and debtors and loans from the parent company. 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

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 within the finance available to the company and its parent company.

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 on24/9/21..... 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 2020, 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 2020 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

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

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

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 5, 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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the manufacturing and distribution of crystal glass sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

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

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

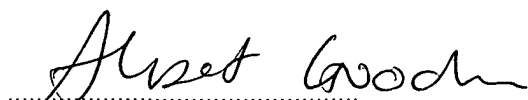
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment 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 auditor's report.

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.



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: 24/9/21

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
Turnover	3	10,711,308	13,065,684
Cost of sales		<u>(7,555,233)</u>	<u>(8,174,185)</u>
Gross profit		3,156,075	4,891,499
Administrative expenses		(3,436,466)	(4,456,404)
Other operating income	4	<u>872,898</u>	<u>35,411</u>
Operating profit	5	592,507	470,506
Interest payable and similar charges	7	<u>(57,004)</u>	<u>(88,930)</u>
Profit before tax		535,503	381,576
Taxation	11	<u>(50,423)</u>	<u>10,602</u>
Profit for the financial year		<u>485,080</u>	<u>392,178</u>

The above results were derived from continuing operations.

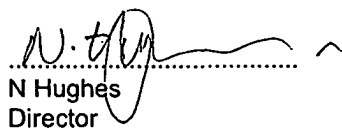
DARTINGTON CRYSTAL (TORRINGTON) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

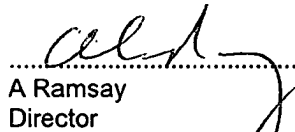
	2020	2019
	£	£
Profit for the year	<u>485,080</u>	<u>392,178</u>
Total comprehensive income for the year	<u><u>485,080</u></u>	<u><u>392,178</u></u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
(REGISTRATION NUMBER: 05760193)
BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	220,011	265,211
Current assets			
Stocks	14	2,417,030	3,166,884
Debtors	15	1,699,968	3,262,594
Cash at bank and in hand		<u>1,019,563</u>	<u>178,965</u>
		5,136,561	6,608,443
Creditors: Amounts falling due within one year	17	<u>(2,199,583)</u>	<u>(3,396,213)</u>
Net current assets		<u>2,936,978</u>	<u>3,212,230</u>
Total assets less current liabilities		3,156,989	3,477,441
Creditors: Amounts falling due after more than one year	17	-	(20,000)
Provisions for liabilities	18	<u>(20,696)</u>	<u>(22,184)</u>
Net assets		<u>3,136,293</u>	<u>3,435,257</u>
Capital and reserves			
Called up share capital		221,140	221,140
Capital redemption reserve		157,038	157,038
Profit and loss account		<u>2,758,115</u>	<u>3,057,079</u>
Shareholders' funds		<u>3,136,293</u>	<u>3,435,257</u>

Approved and authorised by the Board on 24/9/21 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 2020

	Ordinary share capital £	Capital redemption reserve £	Profit and loss reserve £	Total £
At 1 January 2020	221,140	157,038	3,057,079	3,435,257
Movement in year:				
Profit for the year	-	-	485,080	485,080
Total comprehensive income	-	-	485,080	485,080
Dividends	-	-	(784,044)	(784,044)
Total movement for the year	-	-	(298,964)	(298,964)
At 31 December 2020	221,140	157,038	2,758,115	3,136,293

	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

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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..

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.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Government grants

Income from government grants is recognised when the company has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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.

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

Short leasehold land and buildings
Plant and machinery
Furniture, fittings and equipment

Depreciation method and rate

over the term of the lease straight line
over 2 - 5 years straight line
over 3 - 5 years straight line

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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.

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. Trade creditors 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.

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 reserves includes all current and prior period profit and losses.

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

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

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:

	2020	2019
	£	£
Sale of goods	9,797,767	11,206,257
Rendering of services	913,541	1,859,427
	<u>10,711,308</u>	<u>13,065,684</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	2020	2019
	£	£
UK	9,099,048	11,369,344
Rest of world	1,612,260	1,696,340
	<u>10,711,308</u>	<u>13,065,684</u>

4 Other operating income

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

	2020	2019
	£	£
Government grants	868,495	-
Other operating income	4,403	35,411
	<u>872,898</u>	<u>35,411</u>

5 Operating profit

Arrived at after charging/(crediting):

	2020	2019
	£	£
Depreciation expense	134,522	132,000
Foreign exchange gains	(33,703)	(9,736)
Operating lease expense - property	271,645	319,006
Operating lease expense - plant and machinery	<u>7,501</u>	<u>14,307</u>

6 Government grants

During the year other income of £843,495 was received from the government under the coronavirus job retention scheme. Other income of £25,000 was received from the district council in relation to a covid grant.

The amount of grants recognised in the financial statements was £868,495 (2019 - £Nil).

7 Interest payable and similar expenses

	2020	2019
	£	£
Interest on bank overdrafts and borrowings	31,289	39,636
Interest expense on other finance liabilities	25,715	49,294
	<u>57,004</u>	<u>88,930</u>

DARTINGTON CRYSTAL (TORRINGTON) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

8 Staff costs

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

	2020	2019
	£	£
Wages and salaries	2,719,673	2,926,696
Social security costs	220,009	247,546
Pension costs, defined contribution scheme	72,058	77,998
Other employee expense	32,578	37,913
	<u>3,044,318</u>	<u>3,290,153</u>

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

	2020	2019
	No.	No.
Production	44	58
Administration and support	31	38
Sales	42	56
	<u>117</u>	<u>152</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020	2019
	£	£
Remuneration	336,886	337,390
Contributions paid to money purchase schemes	21,010	22,000
	<u>357,896</u>	<u>359,390</u>

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

	2020	2019
	No.	No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2020	2019
	£	£
Remuneration	126,942	132,789
Company contributions to money purchase pension schemes	<u>8,800</u>	<u>8,800</u>

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10 Auditors' remuneration

	2020 £	2019 £
Audit of the financial statements	18,500	17,700
Other fees to auditors		
All other non-audit services	13,150	-

11 Taxation

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

	2020 £	2019 £
Current taxation		
UK corporation tax	105,586	53,675
UK corporation tax adjustment to prior periods	(53,675)	(53,499)
	51,911	176
Deferred taxation		
Arising from origination and reversal of timing differences	(10,148)	(10,778)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	8,660	-
Total deferred taxation	(1,488)	(10,778)
Tax expense/(receipt) in the profit and loss account	50,423	(10,602)

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

	2020 £	2019 £
Profit before tax	535,503	381,576
Corporation tax at standard rate	101,746	72,499
Effect of expense not deductible in determining taxable profit (tax loss)	565	1,663
Tax decrease from effect of adjustment in research and development tax credit	(53,675)	(53,192)
Tax increase/(decrease) from other short-term timing differences	8,660	(4,972)
Tax decrease arising from group relief	(6,873)	(26,600)
Total tax charge/(credit)	50,423	(10,602)

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12 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Plant and machinery £	Total £
Cost or valuation				
At 1 January 2020	57,464	562,446	771,932	1,391,842
Additions	-	82,062	7,260	89,322
At 31 December 2020	57,464	644,508	779,192	1,481,164
Depreciation				
At 1 January 2020	13,506	478,277	634,848	1,126,631
Charge for the year	3,310	58,066	73,146	134,522
At 31 December 2020	16,816	536,343	707,994	1,261,153
Carrying amount				
At 31 December 2020	40,648	108,165	71,198	220,011
At 31 December 2019	43,958	84,169	137,084	265,211

Included within the net book value of land and buildings above is £40,648 (2019 - £43,958) in respect of short leasehold land and buildings.

13 Investments

Subsidiaries	£
Cost or valuation	
At 1 January 2020 and 31 December 2020	1
Provision	
At 1 January 2020 and 31 December 2020	1
Carrying amount	
At 31 December 2020	-

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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		
			2020	2019	
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%	

Subsidiary undertakings

Beswick Limited

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

Dartington Glass Limited

The principal activity of Dartington Glass Limited is that of a dormant company.

Dartington Crystal Limited

The principal activity of Dartington Crystal Limited is that of a dormant company.

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14 Stocks

	2020	2019
	£	£
Raw materials and consumables	372,070	529,698
Finished goods and goods for resale	2,044,960	2,637,186
	<u>2,417,030</u>	<u>3,166,884</u>

15 Debtors

	2020	2019
	£	£
Trade debtors	1,633,615	2,279,550
Amounts owed by group undertakings	-	804,054
Other debtors	2,450	1,639
Prepayments	63,903	177,351
Total current trade and other debtors	<u>1,699,968</u>	<u>3,262,594</u>

16 Cash and cash equivalents

	2020	2019
	£	£
Cash on hand	4,303	5,560
Cash at bank	1,015,260	173,405
	<u>1,019,563</u>	<u>178,965</u>

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17 Creditors

	Note	2020 £	2019 £
Due within one year			
Loans and borrowings	19	-	1,395,633
Trade creditors		663,359	1,077,808
Amounts owed to group undertakings		353,091	-
Social security and other taxes		543,897	533,276
Other creditors		5,791	6,528
Accrued expenses		527,859	329,293
Corporation tax	11	105,586	53,675
		<u>2,199,583</u>	<u>3,396,213</u>
Due after one year			
Loans and borrowings	19	<u>-</u>	<u>20,000</u>

18 Provisions for liabilities

	Deferred tax £	Total £
At 1 January 2020	22,184	22,184
Additional provisions	<u>(1,488)</u>	<u>(1,488)</u>
At 31 December 2020	<u>20,696</u>	<u>20,696</u>

Deferred tax

Deferred tax assets and liabilities:

	Liability £
2020	
Accelerated capital allowances	<u>20,696</u>
2019	
Accelerated capital allowances	<u>22,184</u>

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19 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Other borrowings	-	1,395,633
	-	1,395,633
	2020 £	2019 £
Non-current loans and borrowings		
Other borrowings	-	20,000
	-	20,000

The stock finance account included in other borrowings in 2019 is denominated in sterling with a nominal interest rate of 3.5%. The carrying amount at the year end is £nil (2019 - £602,766). The stock finance account was secured against stock and the facility is now closed.

The debtor finance account included in other debtors in 2020 and other borrowings in 2019 is denominated in sterling with a nominal interest rate of 2.5%. The carrying amount at the year end is an other debtor of £1,370 (2019 - an other borrowings of £712,867). The debtor finance account is secured against trade debtors.

The loan account included in other borrowings in 2019 is denominated in sterling. The carrying amount at the year end is £nil (2019 - £100,000).

20 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Ordinary Shares of £0.50 each	402,074	201,037.00	402,074	201,037.00
'B' Ordinary Shares of £0.50 each	32,906	16,453.00	32,906	16,453.00
'C' Ordinary Shares of £0.05 each	73,000	3,650.00	73,000	3,650.00
	507,980	221,140.00	507,980	221,140.00

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21 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2020	2019
	£	£
Not later than one year	299,867	266,079
Later than one year and not later than five years	1,090,906	1,078,703
Later than five years	<u>1,050,521</u>	<u>1,319,639</u>
	<u><u>2,441,294</u></u>	<u><u>2,664,421</u></u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £285,133 (2019 - £263,066).

22 Dividends

	2020	2019
	£	£
Dividends paid during the year	<u><u>784,044</u></u>	<u><u>-</u></u>

23 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 £72,058 (2019 - £77,998).

Contributions totalling £6,164 (2019 - £6,926) were payable to the scheme at the end of the year and are included in creditors.

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24 Financial guarantee contracts

On 29 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 2020, group bank borrowings guaranteed for the other companies in the group amount to £1,916,666 (2019 - £875,000).

The amount of the financial guarantee contract is £1,916,666.

25 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 9, Directors Remuneration.

Summary of transactions with parent

The company has taken advantage of the exemption provided from disclosing transactions with other group companies as the company is wholly owned by its parent, Dartington Crystal (Holdings) Limited.

26 Parent and ultimate parent undertaking

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