Company registration number 05778485 (England and Wales)

PRESTIGE GIFTING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

PRESTIGE GIFTING LIMITED

COMPANY INFORMATION

Directors	S D Crowther J A Miskell A M Miskell C Miskell
Secretary	C Miskell
Company number	05778485
Registered office	G8 Dean Clough G Mill Yard Dean Clough Industrial Park Halifax West Yorkshire HX3 5WD
Auditor	Afford Bond Holdings Limited 31 Wellington Road Nantwich Cheshire CW5 7ED
Business address	G8 Dean Clough G Mill Yard Dean Clough Industrial Park Halifax West Yorkshire HX3 5WD
Bankers	Barclays Bank PLC Halifax Branch 39/47 Commercial Street Halifax HX1 1BE

PRESTIGE GIFTING LIMITED

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PRESTIGE GIFTING LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2023

The directors present the strategic report for the year ended 31 July 2023.

Fair review of the business
The directors are pleased to report a satisfactory year for the group which can be characterised as a period of consolidation and investment for future growth. The directors' view of the group's prospects in the short to medium term remains very positive.

Principal risks and uncertainties
The company and group has exposure to the general risks and uncertainties over the state of the economy as a whole and the specific external pressures facing the non-essential retail sector which may impact upon the performance of the businesses from time to time. Overall levels of customer confidence and disposable income are important areas for us to monitor, as they affect the buying habits of our online retail customers and the social gatherings undertaken by our hospitality customers, which has a knock-on effect on the operational performance throughout the group.

The directors use management information and budgeting and forecasting techniques to help to mitigate, as far as possible, all known risks and allow for an adequate level of resources to deal with any unknown risks which may arise. Tight financial controls together with the positive cash flow nature of the group's activities along with the close day-to-day involvement of the directors, helps the company and group to minimise liquidity risk.

Analysis of development and performance
Our financial performance is reflected in the group profit and loss account and associated notes, with the headline figures noted above in the fair review of the business and an analysis of key performance indicators noted below. We are looking to build upon past success and continue to grow the company and group over the coming years. As a consequence of significant investment in the group's brand and promotional activities during the year, we anticipate attracting many more new customers while retaining existing customers.

Key performance indicators
The directors consider that key indicators, which reflect the financial performance and position of the group during the year, include turnover, gross margin, net assets and average number of employees. Group turnover has decreased by 16.5% to £4 1,468,682 (2022: £49,643,113) whilst the gross profit margin has increased from 36.7% in 2022 to 39.5% in 2023. Net assets of the group were £1,718,818 at the balance sheet date and the average number of employees across the group has increased to 82 (2022: 74).

Summary
The directors are confident that the company and group's ongoing commitment to innovate and provide high quality products and services to its customers means it is well placed to grow and deliver a strong financial performance in the future. The directors take this opportunity to thank all employees across the group for their continued efforts and support.

On behalf of the board

29 April 2024

S D Crowther
Director

PRESTIGE GIFTING LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2023

The directors present their annual report and financial statements for the year ended 31 July 2023.

Principal activities
The principal activity of the company and group continues to be that of online retailers of flowers, hampers and other gifts and a bar and restaurant.

Results and dividends
The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £2,520,000. The directors do not recommend payment of a further dividend.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

S D Crowther
J A Miskell
A M Miskell
C Miskell

Financial instruments

Financial instruments
The group uses management accounts, budgeting and forecasting techniques to manage the liquidity, interest and foreign currency risks associated with the group's activities.

The group's principal financial instruments used are basic financial instruments, as there are minimal currency risks and interest rate risks arising from the group's activities, with bank overdrafts and loan facilities available, the main purpose of which is to raise finance for the group's operations. The group has various financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations.

Liquidity risk
The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk
The group is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. The group tries to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

Foreign currency risk
The group's principal foreign currency exposures arise from trading with overseas companies. Group policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling. The foreign exchange rate variance amount in the profit and loss account is monitored each year to determine the requirement for any intervention regarding managing the outcomes of this risk.

Credit risk
Investments of cash surpluses, borrowings and other financing options are made through banks and companies which must fulfil credit rating criteria approved by the board of directors.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Future developments

For the last couple of years, we have used the excess funds from our previous successes to invest heavily in general advertising expenditure as well as looking at more targeted marketing campaigns, with a view to consolidating our online presence, attempting to gain new customers, and hopefully retaining our existing customers to generate repeat business. Our advertising budget had been increased this year, in line with the anticipated sales levels we could achieve, but, unfortunately, the predicted turnover targets did not materialise, hence the net loss arising. For the following year, we had decided to look into how to strike the right balance between our various promotional activities, to be able to generate our desired sales levels without unnecessarily overinvesting in advertising.

Auditor

The auditor, Afford Bond Holdings Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of directors' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

29 April 2024

S D Crowther

Director

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PRESTIGE GIFTING LIMITED

Opinion

We have audited the financial statements of Prestige Gifting Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the group statement of comprehensive income, the group balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 July 2023 and of the group's loss 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 group and parent 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit is considered capable of detecting irregularities, including fraud

Our assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is based on ICAEW guidance relating to reporting on irregularities, November 2020, based on ISA 700 A39-1 to A39-5. An understanding of the significance of irregularities in the context of the financial statements as a whole is required for our assessment. Whilst considering how our audit work addresses the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error. We obtain an understanding of the entity's risk assessment process, including the risk of fraud, as part of our work on the entity's systems and controls. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The laws and regulations identified as being of significance in the context of the entity are those considered to form part of United Kingdom Generally Accepted Accounting Practice. An understanding of the legal and regulatory framework applicable to the entity and how the entity is complying with that framework is necessary for our assessment and requires an understanding of the entity's policies and procedures on compliance with laws and regulations, including documentation of any instances of non-compliance.

Walkthrough testing is carried out on the recorded systems notes to check that the controls operate as stated and contain sufficient levels of supervision. Segregation of duties should be commensurate with the size of the entity. Analytical procedures are used to review the client 's data for unusual entries, highlighting those transactions requiring further explanations as to the reasons for such variations arising. This also includes the identification and testing of unexpected journal entries to judge their appropriateness. Evaluation of the assumptions and judgements used by management within significant accounting estimates is undertaken to assess if these indicate evidence of potential management bias occurring. Detailed testing is carried out in respect of significant transactions. An evaluation is done of the business rationale behind any amounts which appear unusual or outside the company's normal course of business. The financial statements are then reviewed with relevant disclosures tested against supporting underlying documentation, as applicable.

Matters about non-compliance with laws and regulations and fraud are communicated with the engagement team, who are assessed as having the appropriate competence and capabilities to identify any potential issues regarding non-compliance in order to conduct their work effectively on the assignment. Communication of relevant matters to all members of the audit team is necessary to ensure that they understand the particular risks specific to the entity, in order that the audit procedures are planned appropriately to mitigate against these identified risks.

Audit response to risks identified
Our audit response will depend on the risks identified but may include:

- Enquiry of management, those charged with governance and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business including reviewing accounting estimates for bias.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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.

David Bailey BA(Econ) FCA (Senior Statutory Auditor)
For and on behalf of Afford Bond Holdings Limited

29 April 2024

Chartered Accountants
Statutory Auditor

31 Wellington Road
Nantwich
Cheshire
CW5 7ED

PRESTIGE GIFTING LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2022 £
Turnover	3	41,468,682	49,643,113
Cost of sales		(25,069,986)	(31,419,932)
Gross profit		16,398,696	18,223,181
Administrative expenses		(17,723,244)	(14,580,657)
Operating (loss)/profit	4	(1,324,548)	3,642,524
Interest receivable and similar income	8	20,935	24
Interest payable and similar expenses	9	(2,493)	(944)
(Loss)/profit before taxation		(1,306,106)	3,641,604
Tax on (loss)/profit	10	44,100	(712,641)
(Loss)/profit for the financial year		(1,262,006)	2,928,963

(Loss)/profit for the financial year is all attributable to the owners of the parent company.
Total comprehensive income for the year is all attributable to the owners of the parent company.

PRESTIGE GIFTING LIMITED

GROUP AND COMPANY BALANCE SHEETS

AS AT 31 JULY 2023

		Group		Company	
		2023	2022	2023	2022
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12	666,643	698,539	388,972	417,550
Investments	13	-	-	100	100
		666,643	698,539	389,072	417,650
Current assets					
Stocks	16	5,113	4,695	-	-
Debtors	17	2,384,297	1,704,657	3,478,314	2,477,231
Cash at bank and in hand		766,412	4,526,788	763,062	4,526,688
		3,155,822	6,236,140	4,241,376	7,003,919
Creditors: amounts falling due within one year	18	(2,050,247)	(1,336,355)	(2,015,925)	(1,296,733)
Net current assets		1,105,575	4,899,785	2,225,451	5,707,186
Total assets less current liabilities		1,772,218	5,598,324	2,614,523	6,124,836
Provisions for liabilities					
Deferred tax liability	19	(53,400)	(97,500)	(53,400)	(57,900)
Net assets		1,718,818	5,500,824	2,561,123	6,066,936
Capital and reserves					
Called up share capital	21	100	100	100	100
Profit and loss reserves		1,718,718	5,500,724	2,561,023	6,066,836
Total equity		1,718,818	5,500,824	2,561,123	6,066,936

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £985,813 (2022 - £3,126,655 profit).

The financial statements were approved by the board of directors and authorised for issue on 29 April 2024 and are signed on its behalf by:

S D Crowther
Director

Company Registration No. 05778485

PRESTIGE GIFTING LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 August 2021		100	6,003,802	6,003,902
Year ended 31 July 2022:				
Profit and total comprehensive income		-	2,928,963	2,928,963
Dividends	**11**	-	(3,432,041)	(3,432,041)
Balance at 31 July 2022		100	5,500,724	5,500,824
Year ended 31 July 2023:				
Loss and total comprehensive income		-	(1,262,006)	(1,262,006)
Dividends	**11**	-	(2,520,000)	(2,520,000)
Balance at 31 July 2023		100	1,718,718	1,718,818

PRESTIGE GIFTING LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JULY 2023

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 August 2021		100	6,372,222	6,372,322
Year ended 31 July 2022:				
Profit and total comprehensive income for the year		-	3,126,655	3,126,655
Dividends	**11**	-	(3,432,041)	(3,432,041)
Balance at 31 July 2022		100	6,066,836	6,066,936
Year ended 31 July 2023:				
Profit and total comprehensive income		-	(985,813)	(985,813)
Dividends	**11**	-	(2,520,000)	(2,520,000)
Balance at 31 July 2023		100	2,561,023	2,561,123

PRESTIGE GIFTING LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**27**		432,357		1,296,457
Interest paid			(2,493)		(944)
Income taxes paid			(353,941)		(1,809,755)
Net cash inflow/(outflow) from operating activities			75,923		(514,242)
Investing activities					
Purchase of tangible fixed assets		(118,940)		(421,632)	
Loans made		(1,218,294)		-	
Interest received		20,935		24	
Net cash used in investing activities			(1,316,299)		(421,608)
Financing activities					
Dividends paid to equity shareholders		(2,520,000)		(3,432,041)	
Net cash used in financing activities			(2,520,000)		(3,432,041)
Net decrease in cash and cash equivalents			(3,760,376)		(4,367,891)
Cash and cash equivalents at beginning of year			4,526,788		8,894,679
Cash and cash equivalents at end of year			766,412		4,526,788

PRESTIGE GIFTING LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**28**		383,626		1,308,391
Interest paid			(2,493)		(888)
Income taxes paid			(353,941)		(1,852,574)
Net cash inflow/(outflow) from operating activities			27,192		(545,071)
Investing activities					
Purchase of tangible fixed assets		(73,459)		(390,803)	
Loans made		(1,218,294)		-	
Interest received		20,935		24	
Net cash used in investing activities			(1,270,818)		(390,779)
Financing activities					
Dividends paid to equity shareholders		(2,520,000)		(3,432,041)	
Net cash used in financing activities			(2,520,000)		(3,432,041)
Net decrease in cash and cash equivalents			(3,763,626)		(4,367,891)
Cash and cash equivalents at beginning of year			4,526,688		8,894,579
Cash and cash equivalents at end of year			763,062		4,526,688

1 Accounting policies

Company information

Prestige Gifting Limited ("the company") is a private limited company domiciled and incorporated in England and Wales . The registered office is G8 Dean Clough, G Mill Yard, Dean Clough Industrial Park, Halifax, West Yorkshire, HX3 5WD.

The group consists of Prestige Gifting Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Prestige Gifting Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 July 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the g roup.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1 Accounting policies **(Continued)**

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Interest income is recognised when it is probable that the economic benefits will flow to the entity and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

1 Accounting policies **(Continued)**

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	straight line over the life of the lease
Plant and machinery	10% per annum straight line
Fixtures, fittings and equipment	20% per annum straight line
Computer equipment	straight line over three years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

1 Accounting policies **(Continued)**

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Cost is calculated using the first in first out method.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

1 Accounting policies **(Continued)**

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1 Accounting policies **(Continued)**

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1 Accounting policies **(Continued)**

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2023	2022
	£	£
Turnover analysed by class of business		
Website and online sales	40,099,625	48,839,630
Wholesale sales and commissions received	4,754	59,554
Corporate and retail sales	775,414	65,494
Bar and restaurant sales	541,721	577,013
Takeaway sales	47,168	101,422
	41,468,682	49,643,113

3 Turnover and other revenue **(Continued)**

	2023	2022
	£	£
Turnover analysed by geographical market		
UK	41,468,682	49,643,113

	2023	2022
	£	£
Other significant revenue		
Interest income	20,935	24

4 Operating (loss)/profit

	2023	2022
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(47)	580
Depreciation of owned tangible fixed assets	150,836	73,239
(Profit)/loss on disposal of tangible fixed assets	-	2,800
Operating lease charges	227,086	172,874

5 Auditor's remuneration

	2023	2022
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	7,500	7,000
Audit of the financial statements of the company's subsidiaries	4,000	3,000
	11,500	10,000
For other services		
Taxation compliance services	1,370	1,590
Other taxation services	6,610	3,090
All other non-audit services	17,400	19,520
	25,380	24,200

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Administrative staff	61	50	59	48
Management	3	3	3	3
Bar staff	10	12	-	-
Kitchen staff	8	9	-	-
Total	82	74	62	51

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	2,674,288	1,896,727	2,345,113	1,572,158
Social security costs	265,867	174,986	241,833	152,632
Pension costs	94,936	75,540	82,254	62,113
	3,035,091	2,147,253	2,669,200	1,786,903

7 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	480,000	130,000
Company pension contributions to defined contribution schemes	1,756	-
	481,756	130,000

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2022 - 0).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2023 £	2022 £
Remuneration for qualifying services	400,000	-
Company pension contributions to defined contribution schemes	881	-

8 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Other interest income	20,935	24

9 Interest payable and similar expenses

	2023	2022
	£	£
Other finance costs:		
Other interest	2,493	944

10 Taxation

	2023	2022
	£	£
Current tax		
UK corporation tax on profits for the current period	-	653,941
Deferred tax		
Origination and reversal of timing differences	(44,100)	58,700
Total tax (credit)/charge	(44,100)	712,641

The corporation tax rate applicable up to 31 March 2023 was 19% for companies of any size, with the rate applicable for larger companies becoming 25% from 1 April 2023.

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023	2022
	£	£
(Loss)/profit before taxation	(1,306,106)	3,641,604
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 21.00% (2022: 19.00%)	(274,282)	691,905
Tax effect of expenses that are not deductible in determining taxable profit	15,047	7,393
Unutilised tax losses carried forward	253,106	-
Depreciation charges	31,676	13,915
Capital allowances, balancing charges and disposal proceeds	(25,547)	(59,272)
Deferred tax timing differences	(44,100)	58,700
Taxation (credit)/charge	(44,100)	712,641

11 Dividends

	2023	2022
Recognised as distributions to equity holders:	£	£
Interim paid	2,520,000	3,432,041

12 Tangible fixed assets

Group	Leasehold improvements	Plant and machinery	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2022	175,576	173,415	402,927	118,505	870,423
Additions	-	19,818	78,778	20,344	118,940
At 31 July 2023	175,576	193,233	481,705	138,849	989,363
Depreciation and impairment					
At 1 August 2022	52,677	50,333	23,889	44,985	171,884
Depreciation charged in the year	17,557	18,052	74,066	41,161	150,836
At 31 July 2023	70,234	68,385	97,955	86,146	322,720
Carrying amount					
At 31 July 2023	105,342	124,848	383,750	52,703	666,643
At 31 July 2022	122,899	123,082	379,038	73,520	698,539

Company	Fixtures, fittings and equipment	Computer equipment	Total
	£	£	£
Cost			
At 1 August 2022	349,331	118,505	467,836
Additions	53,115	20,344	73,459
At 31 July 2023	402,446	138,849	541,295
Depreciation and impairment			
At 1 August 2022	5,301	44,985	50,286
Depreciation charged in the year	60,876	41,161	102,037
At 31 July 2023	66,177	86,146	152,323
Carrying amount			
At 31 July 2023	336,269	52,703	388,972
At 31 July 2022	344,030	73,520	417,550

12 Tangible fixed assets **(Continued)**

The carrying value of land and buildings comprises:

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Short leasehold	105,342	122,899	-	-

13 Fixed asset investments

	Notes	Group 2023	2022	Company 2023	2022
		£	£	£	£
Investments in subsidiaries	**14**	-	-	100	100

Movements in fixed asset investments

Company	Shares in subsidiaries
	£
Cost or valuation	
At 1 August 2022 and 31 July 2023	100
Carrying amount	
At 31 July 2023	100
At 31 July 2022	100

14 Subsidiaries

Details of the company's subsidiaries at 31 July 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	Indirect
Next Level Bar Limited	England and Wales	Public house	Ordinary	100.00	-

Registered office addresses (all UK unless otherwise indicated):

- Next Level Bar Limited, G8 Dean Clough, G Mill Yard, Dean Clough Industrial Park, Halifax, West Yorkshire, HX3 5WD

The investments in subsidiaries are all stated at cost.

15 Financial instruments

	Group 2023 £	2022 £	Company 2023 £	2022 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,561,417	619,262	2,697,988	1,423,127
Carrying amount of financial liabilities				
Measured at amortised cost	1,728,501	1,291,998	1,700,835	1,262,236

16 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Raw materials and consumables	5,113	4,695	-	-

17 Debtors

Amounts falling due within one year:	Group 2023 £	2022 £	Company 2023 £	2022 £
Trade debtors	43,123	19,262	31,104	18,048
Corporation tax recoverable	550,000	196,059	550,000	196,059
Amounts owed by group undertakings	-	-	1,148,590	805,079
Other debtors	1,544,559	754,252	1,518,294	722,961
Prepayments and accrued income	246,615	735,084	230,326	735,084
	2,384,297	1,704,657	3,478,314	2,477,231

18 Creditors: amounts falling due within one year

	Group 2023 £	2022 £	Company 2023 £	2022 £
Trade creditors	1,695,222	1,261,132	1,676,264	1,239,482
Other taxation and social security	321,746	44,357	315,090	34,497
Other creditors	-	4,747	-	4,747
Accruals and deferred income	33,279	26,119	24,571	18,007
	2,050,247	1,336,355	2,015,925	1,296,733

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2023 £	Liabilities 2022 £
Accelerated capital allowances	53,400	97,500

Company	Liabilities 2023 £	Liabilities 2022 £
Accelerated capital allowances	53,400	57,900

Movements in the year:	Group 2023 £	Company 2023 £
Liability at 1 August 2022	97,500	57,900
Credit to profit or loss	(44,100)	(4,500)
Liability at 31 July 2023	53,400	53,400

The deferred tax liability set out above is expected to reverse within five years of the initial transactions arising and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

Defined contribution schemes	2023 £	2022 £
Charge to profit or loss in respect of defined contribution schemes	94,936	75,540

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

Group and company	**2023**	**2022**	**2023**	**2022**
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	5	5	5	5
Ordinary A shares of £1 each	45	45	45	45
Ordinary B shares of £1 each	45	45	45	45
Ordinary C shares of £1 each	5	5	5	5
	100	100	100	100

The company has four classes of ordinary shares, which carry no right to fixed income, with each class having full rights with regards to voting, dividend and capital distribution. Dividends may be declared on any class of shares to the exclusion of the other classes.

22 Financial commitments, guarantees and contingent liabilities

Prestige Gifting Limited has provided a cross-guarantee in respect of the bank borrowings of Flowerline Limited, a company in which the directors and shareholders, S D Crowther, J A Miskell and C Miskell, are also directors and shareholders, which is secured by a fixed and floating charge over the assets of the company dated 25 August 2015.

23 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the group for certain of its land and buildings and motor vehicles. Fixed period leases are negotiated for an average term of ten years with an option to extend at the prevailing market rate, whereas other leases have been negotiated with a notice period or commitment ranging from three months to three years.

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		**Company**	
	2023	**2022**	**2023**	**2022**
	£	**£**	**£**	**£**
Within one year	77,927	59,219	36,418	17,710
Between two and five years	169,026	166,036	2,990	-
In over five years	41,509	83,018	-	-
	288,462	308,273	39,408	17,710

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Acquisition of tangible fixed assets	-	62,425	-	41,231

25 Related party transactions

Transactions with related parties
During the year the group entered into the following transactions with related parties:

	Purchases 2023	Purchases 2022
	£	£
Group		
Other related parties	17,694,153	21,716,956
Company		
Other related parties	17,694,153	21,716,956

	Services provided 2023	2022
	£	£
Group		
Other related parties	4,641	6,736
Company		
Other related parties	4,641	6,736

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2023 Balance	2022 Balance
	£	£
Group		
Other related parties	266,258	217,998
Company		
Other related parties	266,258	217,998

25 Related party transactions **(Continued)**

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	**2023 Balance £**	**2022 Balance £**
Group		
Other related parties	300,000	600,174
Company		
Entities over which the company has control, joint control or significant influence	1,148,590	805,079
Other related parties	300,000	600,174

Sales and purchases of goods and services were made between related parties at market price.

The amounts outstanding are unsecured and will be settled in cash as and when cash flows permit.

26 Directors' transactions

Dividends totalling £2,520,000 (2022 - £3,432,041) were paid in the year in respect of shares held by the company's directors.

Interest free loans have been granted by the group to its directors as follows:

Description	**% Rate**	**Opening balance £**	**Amounts advanced £**	**Amounts repaid £**	**Closing balance £**
Interest free loan	-	-	1,267,294	(49,000)	1,218,294
		-	1,267,294	(49,000)	1,218,294

27 Cash generated from group operations

	2023	2022
	£	£
(Loss)/profit for the year after tax	(1,262,006)	2,928,963
Adjustments for:		
Taxation (credited)/charged	(44,100)	712,641
Finance costs	2,493	944
Investment income	(20,935)	(24)
(Gain)/loss on disposal of tangible fixed assets	-	2,800
Depreciation and impairment of tangible fixed assets	150,836	73,239
Movements in working capital:		
Increase in stocks	(418)	(2,712)
Decrease/(increase) in debtors	892,595	(1,460,198)
Increase/(decrease) in creditors	713,892	(959,196)
Cash generated from operations	432,357	1,296,457

28 Cash generated from operations - company

	2023	2022
	£	£
(Loss)/profit for the year after tax	(985,813)	3,126,655
Adjustments for:		
Taxation (credited)/charged	(4,500)	745,160
Finance costs	2,493	888
Investment income	(20,935)	(24)
Depreciation and impairment of tangible fixed assets	102,037	31,563
Movements in working capital:		
Decrease/(increase) in debtors	571,152	(1,629,511)
Increase/(decrease) in creditors	719,192	(966,340)
Cash generated from operations	383,626	1,308,391

29 Analysis of changes in net funds - group

	1 August 2022	Cash flows	31 July 2023
	£	£	£
Cash at bank and in hand	4,526,788	(3,760,376)	766,412

30 Analysis of changes in net funds - company

	1 August 2022	Cash flows	31 July 2023
	£	£	£
Cash at bank and in hand	4,526,688	(3,763,626)	763,062