

**STRATEGIC REPORT, DIRECTORS' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
DAREGAL GOURMET LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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**DAREGAL GOURMET LIMITED**

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

**DIRECTORS:**

M N McIlroy  
C Darbonne  
S Durif

**SECRETARY:**

C Darbonne

**REGISTERED OFFICE:**

Willow House  
Ipswich Road  
Long Stratton  
Norwich  
NR15 2TA

**REGISTERED NUMBER:**

06032669 (England and Wales)

**AUDITORS:**

RSM UK Audit LLP (Statutory Auditor)  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

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

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

**FAIR REVIEW OF THE BUSINESS**

The business of the company is principally the supply of herbs into retailers, food manufacturers and restaurant outlets.

The profit for the year, after taxation, amounted to £979,810 (2020: £1,058,806).

The company has continued to grow and net assets have increased from £4,766,195 to £5,746,005 in the year. Cash balances have increased by £201,187 during the year. The company continues to be part of a substantial group whose parent company is based in France and supply the global food sectors.

During the pandemic the company has, within its retail sector, benefitted from the overall frozen category revenue growth which is around the 4% level.

With the ongoing global supply issues especially from Asia both in terms of costs and shipping delays, the company has mitigated supply risks by increasing stock holding to ensure customer needs continue to be met. This policy will continue until such times as we see a normalisation of the supply chain.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The directors consider that the sector in which the company operates is under pressure on sales and margins. The directors are satisfied that the company continues to trade profitably.

The business engages in foreign currency transactions which, in the current economic climate and with Brexit occurring, is considered a risk for the business. The company mitigates the risk by agreeing fixed exchange rates with suppliers as far as possible.

The Covid-19 pandemic developed rapidly in 2020, with a significant number of cases. Government measures taken to contain the virus have affected economic and social activity and a number of actions have been taken to monitor and mitigate the effects of Covid-19 within the company. The company has continued to operate throughout the pandemic. Staff have been fully retained within the business and risks assessments have been undertaken. Working from home has been implemented effectively and if, or when, staff have been in the office this is on a rota basis and all staff have adhered to strict social distancing measures. Customer meetings have been conducted virtually rather than in person where appropriate. Steps have been, and continue to be, taken to mitigate the impact on turnover and profit. These steps have been effective and the impact of Covid-19 has been minimised as the business has a well-balanced customer base and continues to operate at a profitable level. As such the directors do not currently believe there is or will be an impact on the company's ability to continue as a going concern as the business can implement other measures to mitigate any impact.

**FINANCIAL INSTRUMENTS**

The company's principal financial instruments comprises cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The existence of the financial instruments exposes the company to a certain element of financial risk. The main risks arising from the company's financial instruments are credit risk and liquidity risk. The directors review and agree policies for managing each of these risks. These policies have remained unchanged from previous years.

**KEY PERFORMANCE INDICATORS**

The directors consider turnover and gross profit percentage to be the key performance indicators of the business.

During the year turnover has remained consistent with an increase of £5,559 which is considered positive given the pressures on the company surrounding exchange rates and Brexit, as well as the Covid-19 pandemic.

Gross profit percentage has decreased in the year to 18.6% (2020: 19.6%).

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

**FUTURE DEVELOPMENTS**

The directors expect the company to grow further over the next five years and expand the products being sold in recognised supermarkets. Innovation with new technologies and products will be key for this growth. The company's commitment to sustainability is forged within the ethos and value of the company which will drive the business forward recognising and operating in line with our responsibility to the environment along with our colleagues and customers.

**ON BEHALF OF THE BOARD:**

M N McIlroy - Director

4 March 2022

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of supplying herbs.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2021 (2020: £nil).

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

M N McIlroy  
C Darbonne  
S Durif

**MATTERS COVERED IN THE STRATEGIC REPORT**

As permitted by paragraph 1A of Schedule 7 to the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report. These matters relate to business review, principal risks and uncertainties and financial and non-financial KPIs.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Directors' 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**AUDITORS**

RSM UK Audit LLP have expressed their willingness to continue as auditors and a resolution for their re-appointment will be proposed at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

M N McIlroy - Director

4 March 2022

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAREGAL GOURMET LIMITED**

### **Opinion**

We have audited the financial statements of Daregal Gourmet Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

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

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 the 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.



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAREGAL GOURMET LIMITED**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the 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, 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 four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAREGAL GOURMET LIMITED**

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' 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 the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluating computations received from external tax advisors.

The audit engagement team identified the risk of management override of controls, risk of fraud in revenue recognition and the risk of fraud in related party transactions as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, corroborating revenue recognised to third party confirmations of dispatches, as well as obtaining confirmation of related party transactions and balances from group companies.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
DAREGAL GOURMET LIMITED**

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' 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.

Claire Sutherland (Senior Statutory Auditor)  
for and on behalf of RSM UK Audit LLP (Statutory Auditor)  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB

7 March 2022

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>TURNOVER</b>	4	15,344,341	15,338,782
Cost of sales		<u>12,493,721</u>	<u>12,335,800</u>
<b>GROSS PROFIT</b>		2,850,620	3,002,982
Administrative expenses		<u>1,639,733</u>	<u>1,838,695</u>
		1,210,887	1,164,287
Other operating income		<u>-</u>	<u>144,957</u>
<b>OPERATING PROFIT</b>	6	1,210,887	1,309,244
Interest payable and similar expenses	7	<u>977</u>	<u>1,929</u>
<b>PROFIT BEFORE TAXATION</b>		1,209,910	1,307,315
Tax on profit	8	<u>230,100</u>	<u>248,509</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		979,810	1,058,806
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>979,810</u>	<u>1,058,806</u>

The notes form part of these financial statements

**DAREGAL GOURMET LIMITED (REGISTERED NUMBER: 06032669)****BALANCE SHEET  
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		9,640		12,049
<b>CURRENT ASSETS</b>					
Stocks	10	3,115,601		2,751,670	
Debtors	11	3,385,434		3,637,529	
Cash at bank and in hand		<u>750,262</u>		<u>549,075</u>	
		7,251,297		6,938,274	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>1,514,932</u>		<u>2,184,128</u>	
<b>NET CURRENT ASSETS</b>			<u>5,736,365</u>		<u>4,754,146</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>5,746,005</u>		<u>4,766,195</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	13		147,000		147,000
Retained earnings	14		<u>5,599,005</u>		<u>4,619,195</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>5,746,005</u>		<u>4,766,195</u>

The financial statements were approved by the Board of Directors and authorised for issue on 4 March 2022 and were signed on its behalf by:

M N Mellroy - Director

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

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2020</b>	147,000	3,560,389	3,707,389
<b>Changes in equity</b>			
Total comprehensive income	-	1,058,806	1,058,806
<b>Balance at 31 December 2020</b>	<u>147,000</u>	<u>4,619,195</u>	<u>4,766,195</u>
<b>Changes in equity</b>			
Total comprehensive income	-	979,810	979,810
<b>Balance at 31 December 2021</b>	<u>147,000</u>	<u>5,599,005</u>	<u>5,746,005</u>

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

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	472,848	320,195
Interest paid		(977)	(1,929)
Tax paid		(270,684)	(168,058)
Net cash from operating activities		<u>201,187</u>	<u>150,208</u>
<b>Increase in cash and cash equivalents</b>		<u>201,187</u>	<u>150,208</u>
<b>Cash and cash equivalents at beginning of year</b>	2	549,075	398,867
<b>Cash and cash equivalents at end of year</b>	2	<u><u>750,262</u></u>	<u><u>549,075</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021 £	2020 £
Profit before taxation	1,209,910	1,307,315
Depreciation charges	2,409	3,014
Finance costs	977	1,929
	<u>1,213,296</u>	<u>1,312,258</u>
Increase in stocks	(363,931)	(58,254)
Decrease/(increase) in trade and other debtors	252,095	(346,686)
Decrease in trade and other creditors	<u>(628,612)</u>	<u>(587,123)</u>
<b>Cash generated from operations</b>	<u><u>472,848</u></u>	<u><u>320,195</u></u>

**2. CASH AND CASH EQUIVALENTS**

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

**Year ended 31 December 2021**

	31/12/21 £	1/1/21 £
Cash and cash equivalents	<u>750,262</u>	<u>549,075</u>

**Year ended 31 December 2020**

	31/12/20 £	1/1/20 £
Cash and cash equivalents	<u>549,075</u>	<u>398,867</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1/1/21 £	Cash flow £	At 31/12/21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>549,075</u>	<u>201,187</u>	<u>750,262</u>
	<u>549,075</u>	<u>201,187</u>	<u>750,262</u>
<b>Total</b>	<u>549,075</u>	<u>201,187</u>	<u>750,262</u>



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

**1. STATUTORY INFORMATION**

Daregal Gourmet Limited is a private company, limited by shares, registered in England and Wales within the United Kingdom. The company's registered number and registered office address can be found on the Company Information page.

The financial statements are presented in sterling which is the functional currency of the company and rounded to the nearest £.

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

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

**Going concern**

The directors have prepared and reviewed budgets and a long term forecast for the period to 31 December 2025 which take into account the impact of the Covid-19 pandemic. The key assumptions in the forecasts relate to turnover although, despite the global effects of Covid-19, the company has continued to operate at a profitable level in which the Board have taken comfort. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources, and the support of its parent company, to continue in operational existence for at least 12 months from the date of signing of these accounts. As a result the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**Turnover**

Turnover comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts.

Revenue is recognised when the goods are delivered.

**Tangible fixed assets**

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

Fixtures and fittings                      - 20% on reducing balance

**Stocks**

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

**Financial instruments**

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102, in full, to all of its financial instruments. Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

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

**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

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

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

**Foreign currencies**

Transactions in currencies other than the functional currency are initially recorded at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date.

Exchange gains and losses are recognised in the profit and loss account.

**Employee benefits**

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

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

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

**3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company'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 only affects that period, or in the period of revision and future periods where the revision affects both current and future periods.

In the opinion of the directors there are no critical accounting judgements or estimation uncertainties within the company.

**4. TURNOVER**

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

1.3% of the company's turnover (2020: 0.7%) is attributable to geographical markets outside the United Kingdom.

**5. EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	456,821	460,462
Social security costs	53,228	50,177
Other pension costs	66,059	52,565
	<u>576,108</u>	<u>563,204</u>

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

**5. EMPLOYEES AND DIRECTORS - continued**

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

	2021	2020
Management	2	2
Administration	4	4
Technical	2	2
Commercial	3	4
	<u>11</u>	<u>12</u>

	2021	2020
	£	£
Directors' remuneration	133,473	131,366
Directors' pension contributions to money purchase schemes	<u>56,000</u>	<u>37,000</u>

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

Money purchase schemes	<u>1</u>	<u>1</u>
------------------------	----------	----------

The directors are considered to be the only key management personnel.

**6. OPERATING PROFIT**

The operating profit is stated after charging:

	2021	2020
	£	£
Depreciation - owned assets	2,409	3,014
Auditors' remuneration	14,840	14,000
Foreign exchange differences	29,570	12,283
Other operating leases	<u>15,436</u>	<u>15,610</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021	2020
	£	£
Group interest	<u>977</u>	<u>1,929</u>

**8. TAXATION**

**Analysis of the tax charge**

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	230,100	248,685
Deferred tax	-	(176)
Tax on profit	<u>230,100</u>	<u>248,509</u>

UK corporation tax has been charged at 19% (2020 - 19%).

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

## 8. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

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

	2021 £	2020 £
Profit before tax	<u>1,209,910</u>	<u>1,307,315</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	229,883	248,390
Effects of:		
Expenses not deductible for tax purposes	<u>217</u>	<u>119</u>
Total tax charge	<u>230,100</u>	<u>248,509</u>

## 9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £
<b>COST</b>	
At 1 January 2021 and 31 December 2021	<u>62,950</u>
<b>DEPRECIATION</b>	
At 1 January 2021	50,901
Charge for year	<u>2,409</u>
At 31 December 2021	<u>53,310</u>
<b>NET BOOK VALUE</b>	
At 31 December 2021	<u>9,640</u>
At 31 December 2020	<u>12,049</u>

## 10. STOCKS

	2021 £	2020 £
Stock	<u>3,115,601</u>	<u>2,751,670</u>

During the year, an impairment loss on finished goods of £109,448 (2020: £77,830) was recognised within cost of sales.

## 11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	3,319,281	3,422,454
VAT	66,153	61,962
Prepayments and accrued income	<u>-</u>	<u>153,113</u>
	<u>3,385,434</u>	<u>3,637,529</u>

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

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued**

During the year, an impairment loss on trade debtors of £30,000 (2020: £17,737) was recognised in the profit and loss account.

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade creditors	538,453	358,184
Amounts owed to group undertakings	581,249	1,221,485
Tax	128,101	168,685
Social security and other taxes	13,157	14,005
Other creditors	2,566	151,456
Accruals and deferred income	251,406	270,313
	<u>1,514,932</u>	<u>2,184,128</u>

**13. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
147,000	Ordinary	£1	<u>147,000</u>	<u>147,000</u>

**14. RESERVES**

Profit and Loss Account: This reserve records retained earnings and accumulated losses.

**15. RELATED PARTY DISCLOSURES**

The company entered into transactions with another group company, Daregal SA, which is not 100% owned by the group. During the year, Daregal Gourmet Limited purchased goods from Daregal SA of £9,858,028 (2020: £9,781,430) and made sales to Daregal SA of £145,600 (2020: £312,429). At the year end there was an amount due to Daregal SA of £560,533 (2020: £1,122,198).

**16. ULTIMATE CONTROLLING PARTY**

Darome SAS, a company incorporated in France, is the ultimate parent undertaking. This is the smallest and largest group that the company is consolidated in. The registered office of Darome SAS is 6 Boulevard Joffre, Milly-la-Forêt, 91490 France.

The ultimate controlling party is C Darbonne, the majority shareholder in Darome SAS.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.