

**DIRECT SOURCE DISTRIBUTION LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023**

**Direct Source Distribution Limited**  
**Financial Statements**  
**For The Year Ended 31 March 2023**

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**Direct Source Distribution Limited**  
**Balance Sheet**  
**As At 31 March 2023**

Registered number: 06940310

		<b>2023</b>		<b>2022</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>FIXED ASSETS</b>					
Tangible Assets	<b>4</b>		153,790		151,899
			153,790		151,899
<b>CURRENT ASSETS</b>					
Stocks	<b>5</b>	640,000		520,000	
Debtors	<b>6</b>	751,872		379,461	
Cash at bank and in hand		81,330		106,156	
		1,473,202		1,005,617	
<b>Creditors: Amounts Falling Due Within One Year</b>	<b>7</b>	(1,155,521 )		(709,620 )	
<b>NET CURRENT ASSETS (LIABILITIES)</b>			317,681		295,997
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			471,471		447,896
<b>Creditors: Amounts Falling Due After More Than One Year</b>	<b>8</b>		(133,129 )		(129,614 )
<b>NET ASSETS</b>			338,342		318,282
<b>CAPITAL AND RESERVES</b>					
Called up share capital	<b>10</b>		2		2
Profit and Loss Account			338,340		318,280
<b>SHAREHOLDERS' FUNDS</b>			338,342		318,282

**Direct Source Distribution Limited**  
**Balance Sheet (continued)**  
**As At 31 March 2023**

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For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The member has not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

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Mr Mohammad Awais-Dean

Director

28th July 2023

The notes on pages 3 to 6 form part of these financial statements.

## **1. General Information**

Direct Source Distribution Limited is a private company, limited by shares, incorporated in England & Wales, registered number 06940310. The registered office is 20 Greyhound Road, London, W6 8NX.

## **2. Accounting Policies**

### **2.1. Basis of Preparation of Financial Statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 section 1A Small Entities "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

### **2.2. Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

#### **Sale of goods**

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

#### **Rendering of services**

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

### **2.3. Tangible Fixed Assets and Depreciation**

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided at rates calculated to write off the cost of the fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Plant & Machinery	25% Reducing Balance
Motor Vehicles	25% Reducing Balance
Fixtures & Fittings	25% Reducing Balance
Computer Equipment	20% Reducing Balance

### **2.4. Leasing and Hire Purchase Contracts**

Assets obtained under finance leases are capitalised as tangible fixed assets. Assets acquired under finance leases are depreciated over the shorter of the lease term and their useful lives. Assets acquired under hire purchase contracts are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in the creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

**Direct Source Distribution Limited**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2023**

## 2.5. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

## 2.6. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

## 3. Average Number of Employees

Average number of employees, including directors, during the year was: 30 (2022: 28)

## 4. Tangible Assets

	Plant & Machinery	Motor Vehicles	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
<b>Cost</b>					
As at 1 April 2022	137,666	198,115	2,813	4,212	342,806
Additions	-	39,865	-	-	39,865
As at 31 March 2023	137,666	237,980	2,813	4,212	382,671

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**Direct Source Distribution Limited**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2023**

**Depreciation**

As at 1 April 2022	48,789	136,833	2,485	2,800	190,907
Provided during the period	22,219	15,320	353	82	37,974
As at 31 March 2023	71,008	152,153	2,838	2,882	228,881
<b>Net Book Value</b>					
As at 31 March 2023	66,658	85,827	(25 )	1,330	153,790
As at 1 April 2022	88,877	61,282	328	1,412	151,899

**5. Stocks**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Finished goods	640,000	520,000
	640,000	520,000

**6. Debtors**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
<b>Due within one year</b>		
Trade debtors	525,813	334,863
Other debtors	226,059	44,598
	751,872	379,461

**7. Creditors: Amounts Falling Due Within One Year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Trade creditors	811,423	513,944
Bank loans and overdrafts	143,482	-
Corporation tax	28,953	34,289
Other taxes and social security	41,560	46,019
VAT	3,603	3,868
Accruals and deferred income	12,500	11,500
Director's loan account	114,000	100,000
	1,155,521	709,620

**Direct Source Distribution Limited**  
**Notes to the Financial Statements (continued)**  
**For The Year Ended 31 March 2023**

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**8. Creditors: Amounts Falling Due After More Than One Year**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Net obligations under finance lease and hire purchase contracts	66,742	36,182
Bank loans	39,968	50,000
LDF finance	26,419	43,432
	<u>133,129</u>	<u>129,614</u>

**9. Obligations Under Finance Leases and Hire Purchase**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
The future minimum finance lease payments are as follows:		
Later than one year and not later than five years	66,742	36,182
	<u>66,742</u>	<u>36,182</u>
	<u>66,742</u>	<u>36,182</u>

**10. Share Capital**

	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>
Allotted, Called up and fully paid	2	2
	<u>2</u>	<u>2</u>



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