

Dams Furniture Limited

Registered number: 07014675

Directors' report and financial statements

For the 53 weeks ended 30 September 2022

DAMS FURNITURE LIMITED

COMPANY INFORMATION

Directors	C Scott M Moore M Scott E Hibbs T Hibbs M Aldcroft G J Dalton (appointed 22 June 2022)
Company secretary	E Hibbs
Registered number	07014675
Registered office	Gores Road Knowsley Industrial Park Knowsley Liverpool L33 7XS
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor One St. Peter's Square Manchester M2 3DE
Bankers	Natwest Plc 24 Newtown Gardens Kirkby Liverpool L32 8RU

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**STRATEGIC REPORT
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

Introduction

The directors present the Strategic Report for the period ended 30 September 2022.

Business review

The principal activity of the Company is the manufacture and wholesale of office and other furniture.

The Company continues to trade strongly despite the ongoing supply chain challenges following COVID-19 and the ongoing Russia-Ukraine war. The Company implemented strategies to mitigate supply risk, including taking on additional cost and stock holding to minimize onward disruption and retain competitive advantage.

The Company made significant investments into its infrastructure during the year as part of its program of continual investment. This included building a 60,000sqft extension to the existing warehouse, giving a total of 185,000sqft of dedicated warehouse and distribution space at the Charley Wood Road site. A new angle plant saw was installed during the year, along with an additional edge bander, both further increasing production capacity and enhancing quality. The project to implement a new, fully integrated ERP system went live mid-year, a major project for the business that brings service enhancements, better analysis and reporting and improved operational efficiencies and capabilities.

Throughout the year the Company maintained the standards required by the accreditations for ISO9001:2015 (Quality Management System) and ISO14001:2015 (Environmental Management System); internationally recognised standards that ensure products and services meet the needs of customers through an effective quality management system and protecting the environment.

Dams Furniture Limited is an Equal Opportunities Employer and is committed to treating job applicants and employees equally, irrespective of colour, creed, race, nationality, ethnic origin, sex, marital status, disability or age.

The Company maintains good health and safety standards and is an accredited member of the Contractors Health & Safety Assessment Scheme (CHAS), the Company ensures compliance throughout its operation. Additional safety measures were implemented throughout the year to make the workplace 'Covid-Secure' and allow trading to continue whilst not compromising the safety of our workforce, customers, and visitors. The HSE and local council have commended the Company for its approach to managing safety during the pandemic.

Principal risks and uncertainties

The Company is exposed to a financial risk associated with movements in the dollar rate of exchange impacting the cost of imported products and materials. Hedging policies are reviewed on a regular basis.

With the global and local economy still unstable following the Coronavirus Pandemic and the ongoing Russia-Ukraine war, the Company is facing external inflationary pressures impacting both purchase and overhead costs.

The Company faces a risk posed by low cost and low quality imported products competing for market share.

Financial key performance indicators

The Company monitors a range of key performance indicators, both financial and non-financial on a regular basis. We believe that the key financial performance indicator that communicates the financial performance and strength of the Company is EBITDA v Gross Sales.

EBITDA v Gross Sales for the year was 7.0% (2021: 11.7%). The directors are pleased with the performance of the Company overall and that the Company continues to be in a strong financial position, in line with expectation.

STRATEGIC REPORT (CONTINUED)
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

Other key performance indicators

The directors are pleased that they have maintained the number of active customers for the year and that the new financial year starts with a higher order bank than the previous year.

The Company stock holding continues to be reviewed and the stock available for sale increased during the year, along with further range expansion to support continuous sales growth

Service and distribution targets are monitored and improvements have been made during the year.

Going concern

These financial statements have been prepared on a going concern basis. The directors, having considered the financial position of the Company for a period of at least twelve months from the date of signing these financial statements, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Company to continue as a going concern.

Accordingly the directors have a reasonable expectation that the Company will continue in operational existence and thus they adopt the going concern basis of accounting in preparing the financial statements.

STRATEGIC REPORT (CONTINUED)
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

Directors' statement of compliance with duty to promote the success of the Company

The board of directors of Dams Furniture Limited consider that both individually and together for the period ended 30 September 2022 they have acted in the way they consider, in good faith, would be the most likely to promote the success of the Company for the benefit of its members as a whole and having regard to the matters set out in below:

- The likely consequences of any decision in the long term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers, and others;
- The impact of the Company's operations on the community and environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly between members of the Company.

The Directors make decisions by taking their legal duty into account and also the priorities and requirements of the stakeholders.

The likely consequences of any decision in the long term

The directors are mindful that its strategic decisions can have long term implications for the business and its stakeholders and these implications are carefully assessed. As part of the long term business planning process, budgets and capital investment are aligned to the overall business strategy, during this process the directors review the risks and opportunities to make informed decisions in line with our core values.

The interests of the company's employees

The Company benefits from having a Board of Directors who are actively involved in the daily running of the business. The directors use various methods of communication with workforce, including regular business updates and newsletters. Communication routes are clear, employees' suggestions, views and interests are carefully gathered and considered in decision making.

The need to foster the company's business relationships with suppliers, customers, and others

A positive customer experience is at the forefront of everything we do. We work closely with our loyal customers to best understand their product and service requirements. We carry out our business with similar-minded people and build on this to forge strong and lasting partnerships which is important to our long-term success.

The impact of the company's operations on the community and environment

We are proud to be part of the local and wider communities. It is our aim to create opportunities to recruit and develop local people and to understand the local issues that are important to the community and what we can do to support it. The DAMS Charity Committee work to pool resources and fundraise for a number of local and national charities.

During the year, the Company successfully renewed its ISO14001:2015 (Environmental Management System) accreditation. The directors are committed to minimising the Company's environmental impact and has a number of initiatives to reduce its carbon footprint over the coming years.

STRATEGIC REPORT (CONTINUED)
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

The desirability of the company maintaining a reputation for high standards of business conduct

All new employees get a 'new starter pack' including an Employee Handbook which documents our history, standards, equal opportunities and details what we expect from them as an employee of DAMS, and what they should expect from DAMS as an employer. The Employee Handbook is refreshed and communicated to all employees annually. All employees have access to our Operating Procedures and Codes of Conduct and understand the requirement for them to comply with the Company's high standards of business conduct at all times. Our management team are trained to deal discretely with any issues of non-compliance with any of our policies.

The need to act fairly between members of the company.

The Company aims to act with integrity and courtesy in all of its business relationship and will consider all members and stakeholders when making decisions for the overall good of the Company.

This report was approved by the board on 31 March 2023 and signed on its behalf.

C Scott
Director

**DIRECTORS' REPORT
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

The directors present their report and the financial statements for the 53 weeks ended 30 September 2022.

Directors' responsibilities statement

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements 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 financial statements;
- 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 to 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.

Results and dividends

The profit for the 53 weeks, after taxation, amounted to £2,672,827 (2021 - £3,698,693).

Dividends paid during the year totalled £211,959 (2021: £1,411,959).

Directors

The directors who served during the 53 weeks were:

C Scott
M Moore
M Scott
E Hibbs
T Hibbs
M Aldcroft
M Dingwall (resigned 18 March 2022)
G J Dalton (appointed 22 June 2022)

Future developments

The Company continues to enhance and expand its product portfolio and service offer in line with market trends.

DIRECTORS' REPORT (CONTINUED)
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

Disabled employees

The Company has a commitment to providing opportunities and the correct working environment for disabled employees.

Matters covered in the Strategic Report

Certain information not shown in the Directors' Report is shown in the Strategic Report on pages 1 & 2 instead in accordance with Section 414C(11) of the Companies Act 2006. This includes a business review and principal risks and uncertainties.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the directors are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the directors have taken all the steps that ought to have been taken as a directors in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

The Company declared dividends of £705,980 to Dams Holdings Limited.

There have been no other significant events affecting the company since the period end.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 31 March 2023 and signed on its behalf.

C Scott
Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMS FURNITURE LIMITED

Opinion

We have audited the financial statements of Dams Furniture Limited (the 'Company') for the year ended 30 September 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 September 2022 and of its profit for the 53 weeks then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the 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 Directors' Report and the Strategic 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMS FURNITURE LIMITED

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.

Matters on which we are required to report by exception

In 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 in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMS FURNITURE LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors intend either to liquidate the 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 the financial statements.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAMS FURNITURE LIMITED

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, SECR and the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion), the stock provision and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit 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.

Neil Barton (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

One St. Peter's Square

Manchester
M2 3DE

31 March 2023

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

		53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
	Note		
Turnover	4	63,222,396	50,365,202
Cost of sales		(51,528,644)	(38,364,226)
Gross profit		11,693,752	12,000,976
Distribution costs		(2,858,404)	(2,348,833)
Administrative expenses		(5,181,862)	(4,776,575)
Other operating income	5	-	47,147
Operating profit	6	3,653,486	4,922,715
Interest receivable and similar income	11	981	401
Interest payable and similar expenses	12	(120,678)	(72,224)
Profit before tax		3,533,789	4,850,892
Tax on profit	13	(860,962)	(1,152,199)
Profit for the financial 53 weeks		<u>2,672,827</u>	<u>3,698,693</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 14 to 35 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

			53 weeks ended 30 September 2022	52 weeks ended 26 September 2021
	Note		£	£
Fixed assets				
Intangible assets	15		1,450,089	917,441
Tangible assets	16		13,830,538	10,996,002
			<u>15,280,627</u>	<u>11,913,443</u>
Current assets				
Stocks	17	8,802,473	6,093,106	
Debtors: amounts falling due within one year	18	10,060,637	8,803,427	
Cash at bank and in hand	19	3,552,506	4,849,421	
		<u>22,415,616</u>	<u>19,745,954</u>	
Creditors: amounts falling due within one year	20	(13,389,436)	(10,806,541)	
Net current assets			<u>9,026,180</u>	<u>8,939,413</u>
Total assets less current liabilities			<u>24,306,807</u>	<u>20,852,856</u>
Creditors: amounts falling due after more than one year	21		(3,048,509)	(2,682,227)
Provisions for liabilities				
Deferred tax	25		(1,449,991)	(823,190)
Net assets			<u><u>19,808,307</u></u>	<u><u>17,347,439</u></u>
Capital and reserves				
Called up share capital	26	61,728		61,728
Share premium account	27	100,258		100,258
Profit and loss account	27	19,646,321		17,185,453
			<u><u>19,808,307</u></u>	<u><u>17,347,439</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 March 2023.

C Scott
Director

The notes on pages 14 to 35 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 27 September 2020	61,728	100,258	14,898,719	15,060,705
Comprehensive income for the year				
Profit for the year	-	-	3,698,693	3,698,693
Total comprehensive income for the year	-	-	3,698,693	3,698,693
Dividends: Equity capital	-	-	(1,411,959)	(1,411,959)
Total transactions with owners	-	-	(1,411,959)	(1,411,959)
At 1 October 2021	61,728	100,258	17,185,453	17,347,439
Comprehensive income for the 53 weeks				
Profit for the 53 weeks	-	-	2,672,827	2,672,827
Total comprehensive income for the 53 weeks	-	-	2,672,827	2,672,827
Dividends: Equity capital	-	-	(211,959)	(211,959)
Total transactions with owners	-	-	(211,959)	(211,959)
At 30 September 2022	<u>61,728</u>	<u>100,258</u>	<u>19,646,321</u>	<u>19,808,307</u>

The notes on pages 14 to 35 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

1. General information

Dams Furniture Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom registered in England and Wales with registration number 07014675. The address of its registered office and principal place of business is Gores Road, Knowsley Industrial Park, Knowsley, Liverpool. L33 7XS.

The functional currency of the Company is Pounds Sterling as this is the currency of the primary economic environment in which the Company operates.

The principal activity of the Company is the manufacture and wholesale of office and other furniture.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Dams Holdings Limited as at 30 September 2022 and these financial statements may be obtained from Companies House.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.3 Going concern

These financial statements have been prepared on a going concern basis. The directors, having considered the financial position of the Company for a period of at least twelve months from the date of signing these financial statements, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the Company to continue as a going concern.

Accordingly the directors have a reasonable expectation that the Company will continue in operational existence and thus they adopt the going concern basis of accounting in preparing the financial statements.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Borrowing costs

All borrowing costs are recognised in profit or loss in the 53 weeks in which they are incurred.

2.10 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.11 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date.

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Intellectual Property	-	10	years
Website	-	5	years
Computer Software	-	5	years

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Buildings	-2%
Plant & machinery	-10% and 25%
Motor vehicles	-25%
Fixtures & fittings	-10%, 25%, 33% and 50%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

Land is held within Land and Buildings with a value of £200,000 that will not be depreciated.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

2. Accounting policies (continued)

2.17 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

2. Accounting policies (continued)

2.19 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the Company's accounting policies, the directors are required to make judgments, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgments, estimates and assumptions are based on the most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgments, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Critical judgments in applying the accounting policies

The critical judgments that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below:

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment associated with property, plant and equipment, the directors have considered both external and internal sources of information such as market values, changes in technological, economic and legal environments and economic performance.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Determining residual values and useful economic lives of plant and equipment

The Company depreciates tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgment is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value management aim to assess the amount that the Company would currently obtain for the disposal of the asset, if it were already of the condition expected.

(ii) Recoverability of receivables

The Company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the aging of receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

(iii) Stock provisions

Judgment is also applied when determining an appropriate provision against the value of stock. When considering if a provision should be made against the items of stock the directors consider factors such as recent stock movements and the likelihood of future demand for that item.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

4. Turnover

The whole of the turnover is attributable to the Company's principal activity being the production and sale of furniture.

Analysis of turnover by country of destination:

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
United Kingdom	60,986,729	48,593,752
Rest of Europe	2,130,344	1,665,659
Rest of the world	105,323	105,791
	<u>63,222,396</u>	<u>50,365,202</u>

5. Other operating income

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Job retention scheme income	<u>-</u>	<u>47,147</u>

6. Operating profit

The operating profit is stated after charging/(crediting):

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Research & development charged as an expense	23,495	29,772
Depreciation of tangible fixed assets	825,997	642,318
Amortisation of intangible assets, including goodwill	134,192	16,912
Exchange differences	(49,791)	60,022
Defined contribution pension cost	213,140	143,490
Operating leases	516,068	445,301
Government grants	<u>-</u>	<u>(47,147)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

7. Comparative Figures

During the current year Management have reconsidered the classification of certain prior year payroll costs and reclassified these within the Statement of Comprehensive income to better reflect their nature. This has purely been a reclassification between categories with no impact on profit before tax. £510,836 has been reclassified from Cost of sales to Distribution costs, £178,307 has been reclassified from Cost of Sales to Administrative Expenses and £31,747 has been reclassified from Administrative Expenses to Distribution Costs.

8. Auditor's remuneration

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	<u>34,000</u>	<u>25,500</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

9. Employees

Staff costs, including directors' remuneration, were as follows:

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Wages and salaries	10,425,549	8,427,794
Social security costs	931,343	667,344
Cost of defined contribution scheme	213,140	143,490
	<u>11,570,032</u>	<u>9,238,628</u>

The average monthly number of employees, including the directors, during the 53 weeks was as follows:

	2022 No.	2021 No.
Administration	57	51
Distribution	68	53
Management	20	18
Production	177	149
Sales	43	42
	<u>365</u>	<u>313</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

10. Directors' remuneration

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Directors' emoluments	413,556	390,980
Company contributions to defined contribution pension schemes	20,177	10,808
	<u>433,733</u>	<u>401,788</u>

During the 53 weeks retirement benefits were accruing to no directors (2021 - NIL) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £96,625 (2021 - £102,213).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5,001 (2021 - £6,667).

11. Interest receivable

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Other interest receivable	<u>981</u>	<u>401</u>

12. Interest payable and similar expenses

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Other loan interest payable	25,755	8,521
Finance leases and hire purchase contracts	94,923	63,703
	<u>120,678</u>	<u>72,224</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

13. Taxation

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Corporation tax		
Current tax on profits for the year	305,230	852,789
Adjustments in respect of previous periods	(71,069)	1,709
Total current tax	<u>234,161</u>	<u>854,498</u>
Deferred tax		
Origination and reversal of timing differences	403,722	131,434
Adjustments in respect of prior periods	95,588	246
Effect of tax charge on opening balance	127,491	166,021
Total deferred tax	<u>626,801</u>	<u>297,701</u>
Taxation on profit on ordinary activities	<u>860,962</u>	<u>1,152,199</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

13. Taxation (continued)**Factors affecting tax charge for the 53 weeks/year**

The tax assessed for the period is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Profit on ordinary activities before tax	<u>3,533,789</u>	<u>4,850,892</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	671,420	921,669
Effects of:		
Expenses not deductible for tax purposes	9,357	6,072
Capital allowances for period in excess of depreciation	28,175	24,937
Adjustments to tax charge in respect of prior periods	(71,069)	1,709
Remeasurement of deferred tax for changes to tax rates	127,491	197,566
Adjustment to tax charge in respect of prior periods - deferred tax	95,588	246
Total tax charge for the 53 weeks/year	<u>860,962</u>	<u>1,152,199</u>

Factors that may affect future tax charges

The UK Government announced in the 2021 Budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

14. Dividends

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Ordinary dividends paid	<u>211,959</u>	<u>1,411,959</u>

Dividends totalling £705,980 have been declared and paid post year end.

15. Intangible assets

	Intellectual property £	Website & Computer Software £	Total £
Cost			
At 1 October 2021	10,000	931,203	941,203
Additions	-	666,840	666,840
Disposals	-	(3,703)	(3,703)
At 30 September 2022	<u>10,000</u>	<u>1,594,340</u>	<u>1,604,340</u>
Amortisation			
At 1 October 2021	3,417	20,345	23,762
Charge for the period	1,000	133,192	134,192
On disposals	-	(3,703)	(3,703)
At 30 September 2022	<u>4,417</u>	<u>149,834</u>	<u>154,251</u>
Net book value			
At 30 September 2022	<u>5,583</u>	<u>1,444,506</u>	<u>1,450,089</u>
At 26 September 2021	<u>6,583</u>	<u>910,858</u>	<u>917,441</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**
16. Tangible fixed assets

	Freehold property	Plant & machinery	Motor vehicles	Fixtures & fittings	Total
	£	£	£	£	£
Cost or valuation					
At 1 October 2021	7,691,644	4,679,226	28,159	1,280,528	13,679,557
Additions	1,746,138	1,456,216	-	524,635	3,726,989
Disposals	-	(342,505)	(12,168)	(12,998)	(367,671)
At 30 September 2022	<u>9,437,782</u>	<u>5,792,937</u>	<u>15,991</u>	<u>1,792,165</u>	<u>17,038,875</u>
Depreciation					
At 1 October 2021	202,744	1,661,107	25,624	794,080	2,683,555
Charge for the period	155,386	524,440	760	145,411	825,997
Disposals	-	(279,726)	(10,393)	(11,096)	(301,215)
At 30 September 2022	<u>358,130</u>	<u>1,905,821</u>	<u>15,991</u>	<u>928,395</u>	<u>3,208,337</u>
Net book value					
At 30 September 2022	<u>9,079,652</u>	<u>3,887,116</u>	<u>-</u>	<u>863,770</u>	<u>13,830,538</u>
At 26 September 2021	<u>7,488,900</u>	<u>3,018,119</u>	<u>2,535</u>	<u>486,448</u>	<u>10,996,002</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	53 weeks ended 30 September 2022 £	52 weeks ended 26 September 2021 £
Plant and machinery	1,834,226	2,109,149
Fixtures and fittings	235,633	257,054
	<u>2,069,859</u>	<u>2,366,203</u>

The depreciation charge in the period on assets under hire purchase agreements totalled £393,803 (2021: £260,983).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

17. Stocks

	At 30 September 2022 £	At 26 September 2021 £
Raw materials and consumables	1,640,601	1,501,821
Work in progress	130,653	20,900
Finished goods and goods for resale	7,031,219	4,570,385
	<u>8,802,473</u>	<u>6,093,106</u>

18. Debtors

	At 30 September 2022 £	At 26 September 2021 £
Trade debtors	9,667,856	8,348,864
Other debtors	7,612	7,137
Prepayments and accrued income	379,310	418,325
Financial instruments	5,859	29,101
	<u>10,060,637</u>	<u>8,803,427</u>

19. Cash and cash equivalents

	At 30 September 2022 £	At 26 September 2021 £
Cash at bank and in hand	<u>3,552,506</u>	<u>4,849,421</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

20. Creditors: Amounts falling due within one year

	At 30 September 2022 £	At 26 September 2021 £
Bank loans	170,424	109,644
Trade creditors	9,138,150	7,876,403
Corporation tax	105,281	587,620
Other taxation and social security	1,621,676	891,241
Obligations under finance lease and hire purchase contracts	776,246	629,688
Other creditors	1,339,487	102,725
Accruals and deferred income	238,172	609,220
	<u>13,389,436</u>	<u>10,806,541</u>

The hire purchase creditor is secured over the assets to which it relates.

Bank loans are secured upon the assets to which they relate. The loan is also secured by way of fixed charge and negative pledge over the assets of the Company and a first legal charge over the Company's freehold property.

21. Creditors: Amounts falling due after more than one year

	At 30 September 2022 £	At 26 September 2021 £
Bank loans	1,117,076	1,327,856
Net obligations under finance leases and hire purchase contracts	1,931,433	1,354,371
	<u>3,048,509</u>	<u>2,682,227</u>

The hire purchase creditor is secured over the assets to which it relates.

Bank loans are secured upon the assets to which they relate. The bank loan is also secured by way of fixed charge and negative pledge over the assets of the Company and a first legal charge over the Company's freehold property.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

22. Loans

Analysis of the maturity of loans is given below:

	At 30 September 2022 £	At 26 September 2021 £
Amounts falling due within one year		
Bank loans	170,424	109,644
	<u>170,424</u>	<u>109,644</u>
Amounts falling due 1-2 years		
Bank loans	-	109,644
	<u>-</u>	<u>109,644</u>
Amounts falling due 2-5 years		
Bank loans	681,695	328,932
	<u>681,695</u>	<u>328,932</u>
Amounts falling due after more than 5 years		
Bank loans	435,381	889,280
	<u>435,381</u>	<u>889,280</u>
	<u><u>1,287,500</u></u>	<u><u>1,437,500</u></u>

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	At 30 September 2022 £	At 26 September 2021 £
Within one year	776,246	629,688
Between 1-5 years	1,931,433	1,354,371
	<u><u>2,707,679</u></u>	<u><u>1,984,059</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022

24. Financial instruments

	At 30 September 2022 £	At 26 September 2021 £
Financial assets		
Cash and cash equivalents	3,552,506	4,849,420
Financial assets that are debt instruments measured at amortised cost	9,675,468	8,356,001
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	<u>5,859</u>	<u>29,101</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(14,710,988)</u>	<u>(12,009,457)</u>

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors excluding prepayments.

Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio comprise foreign exchange contracts.

Financial liabilities measured at amortised cost comprise trade and other creditors, bank and other loans, obligations under finance leases and hire purchase contracts and accruals, excluding amounts relating corporation tax and other taxation and social security.

25. Deferred taxation

	At 30 September 2022 £	At 26 September 2021 £
At beginning of period	(823,190)	(525,489)
Charged to profit or loss	(626,801)	(297,701)
At end of period	<u>(1,449,991)</u>	<u>(823,190)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

25. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	At 30 September 2022 £	At 26 September 2021 £
Accelerated capital allowances	(1,457,373)	(830,765)
Short term timing differences	7,382	7,575
	<u>(1,449,991)</u>	<u>(823,190)</u>

26. Share capital

	At 30 September 2022 £	At 26 September 2021 £
Allotted, called up and fully paid		
11,728 (2021 - 11,728) Ordinary shares of £1.00 each	11,728	11,728
17,000 (2021 - 17,000) Ordinary 'A' shares of £1.00 each	17,000	17,000
16,500 (2021 - 16,500) Ordinary 'B' shares of £1.00 each	16,500	16,500
16,500 (2021 - 16,500) Ordinary 'C' shares of £1.00 each	16,500	16,500
	<u>61,728</u>	<u>61,728</u>

All shares rank in pari passu. All shares have full rights to voting, dividend and capital distribution (including on winding up) and are not redeemable.

27. Reserves**Share premium account**

The share premium account has arisen through premium on share issues, less applicable expenses.

Profit & loss account

This reserve represents cumulative profits and losses less dividends paid.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 53 WEEKS ENDED 30 SEPTEMBER 2022**

28. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £213,140 (2021: £143,490). Contributions totalling £23,451 (2021: £24,182) were payable to the fund at the balance sheet date.

29. Commitments under operating leases

At 30 September 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	At 30 September 2022 £	At 26 September 2021 £
Not later than 1 year	349,828	444,264
Later than 1 year and not later than 5 years	496,805	699,675
Later than 5 years	-	24,927
	<u>846,633</u>	<u>1,168,866</u>

30. Related party transactions

The Company has taken the exemption permitted by Section 33 Related Party Disclosures, not to disclose transactions made with other wholly owned group companies of Dams Holdings Limited Group.

31. Controlling party

The ultimate parent company is Dams Holdings Limited, a company incorporated in England and Wales. Its registered address is Charleywood Road, Knowsley Industrial Park, Liverpool, L33 7SG.

The Company has no single ultimate controlling party.

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.