

Company registration number: 7540052

Joseph Morris Butchers Limited

Audited financial statements

for the Year ended

31 March 2022

Joseph Morris Butchers Limited

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Joseph Morris Butchers Limited
Directors and other information

Directors

Mr R W Morris
Mr R J Morris
Mrs H E Watts

Company number

7540052

Registered office

Walnut Tree House
Walcote Road
South Kilworth
Lutterworth
LE17 6EG

Auditor

Integra Accounting Limited
5 Station Road
Hinckley
Leicestershire
LE10 1AW

Bankers

Barclays Bank plc
19 High Street
Lutterworth
Leicestershire
LE17 4AU

Joseph Morris Butchers Limited

Strategic report

Year ended 31 March 2022

Review of the Business

As expected, the continuing pandemic has presented a challenging year, but the business has performed well, under at times difficult circumstances.

Overall, when taking into account the competitive market conditions and the impact of Covid-19, the results for the year are considered to be very good. The company has seen a 5% increase in turnover from the previous year, which continues to increase into the new financial year.

We have expanded our home delivery service, which managed to offset the loss of the catering trade during Covid-19, and we have also expanded our range of products on offer, as well as improving our social media presence to attract further business.

Once the hospitality sector began to open up again, our focus has been on attracting new clients, however we have reduced our credit terms offered to try and minimise the continuing risk of bad debt.

The directors consider the following key points to be most important and monitored on a monthly basis.

Monthly Sales

Profit Margins

Wage Costs

Increasing Overhead Costs

Debts Incurred.

A set of monthly management accounts are produced and reviewed by the board, and cash flow is monitored as part of the general day to day procedures.

Principle Risks and Uncertainties

The ongoing situation with Covid-19 is still monitored daily, with continuing emphasis put on good hygiene and sanitizing procedures. Social distancing measures are still in place to minimize the risk to staff general health.

The company continues to face challenges from general food price increases, rising energy and fuel costs, tight margins on sales, and the increased risk of insolvency within the catering market. This has all affected the profit margin this year, which is down slightly from 15.6% to 14.4%

The directors conclude that the business is continuing to perform well into the new financial year, cash flow remains very good, and profit levels are steadily increasing. The short term prospects remain very positive.

This report was approved by the board of directors on 19 December 2022 and signed on behalf of the board by:

Mrs H E Watts

Director

Joseph Morris Butchers Limited

Directors report

Year ended 31 March 2022

The directors present their report and the financial statements of the company for the year ended 31 March 2022.

Directors

The directors who served the company during the year were as follows:

Mr R W Morris

Mr R J Morris

Mrs H E Watts

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Directors responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and -
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 19 December 2022 and signed on behalf of the board by:

Mr R J Morris

Director

Joseph Morris Butchers Limited
Independent auditor's report to the members of
Joseph Morris Butchers Limited
Year ended 31 March 2022

Qualified opinion

We have audited the financial statements of Joseph Morris Butchers Limited (the 'company') for the year ended 31 March 2022 which comprise the Profit and loss account, Balance sheet, statement of cash flows 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, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements: - give a true and fair view of the state of the company's affairs as at 31 March 2022 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 qualified opinion

This is the first year that the company has required an audit. As a result, the balance sheet at 31 March 2021 has not been audited. We have not therefore been able to gather sufficient evidence on the opening balances at 1 April 2021.

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 qualified 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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 the returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: - Discussions to determine procedures and controls in place; - Walkthrough tests to check systems; - Substantive tests of balances and transactions. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. we also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

Mrs J Carter (Senior Statutory Auditor)

For and on behalf of

Integra Accounting Limited

Chartered Certified Accountants and Statutory Auditor

5 Station Road

Hinckley

Leicestershire

LE10 1AW

19 December 2022

Joseph Morris Butchers Limited**Profit and loss account****Year ended 31 March 2022**

	Note	2022 £	2021 £
Turnover	4	11,247,070	10,676,563
Cost of sales		(9,628,318)	(9,006,837)
Gross profit		<u>1,618,752</u>	<u>1,669,726</u>
Administrative expenses		(1,254,493)	(1,113,237)
Other operating income	5	34,931	137,028
Operating profit	6	<u>399,190</u>	<u>693,517</u>
Other interest receivable and similar income		17	292
Interest payable and similar expenses	9	(2,851)	(340)
Profit before taxation		<u>396,356</u>	<u>693,469</u>
Tax on profit	10	(88,299)	(136,546)
Profit for the financial year and total comprehensive income		<u>308,057</u>	<u>556,923</u>
Dividends declared and paid or payable during the year	11	(368,000)	(220,000)
Retained earnings at the start of the year		<u>2,226,412</u>	<u>1,889,489</u>
Retained earnings at the end of the year		<u>2,166,469</u>	<u>2,226,412</u>

All the activities of the company are from continuing operations.

Joseph Morris Butchers Limited

Balance sheet

31 March 2022

		2022		2021	
	Note	£	£	£	£
Fixed assets					
Intangible assets	12	-		-	
Tangible assets	13	2,307,974		2,307,616	
		<u> </u>		<u> </u>	
			2,307,974		2,307,616
Current assets					
Stocks	14	236,761		178,900	
Debtors	15	290,514		261,780	
Cash at bank and in hand		222,165		344,773	
		<u> </u>		<u> </u>	
		749,440		785,453	
Creditors: amounts falling due within one year	16	(668,248)		(647,127)	
		<u> </u>		<u> </u>	
Net current assets			81,192		138,326
			<u> </u>		<u> </u>
Total assets less current liabilities			2,389,166		2,445,942
Creditors: amounts falling due after more than one year	17	(114,308)		(140,530)	
Provisions for liabilities	19	(94,100)		(72,900)	
Accruals and deferred income		(14,189)		(6,000)	
		<u> </u>		<u> </u>	
Net assets			2,166,569		2,226,512
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital	22	100		100	
Profit and loss account		2,166,469		2,226,412	
		<u> </u>		<u> </u>	
Shareholders funds			2,166,569		2,226,512
			<u> </u>		<u> </u>

These financial statements were approved by the board of directors and authorised for issue on 19 December 2022
, and are signed on behalf of the board by:

Mr R J Morris

Director

Company registration number: 7540052

Joseph Morris Butchers Limited
Statement of changes in equity
Year ended 31 March 2022

	Called up share capital	Profit and loss account	Total
	£	£	£
At 1 April 2020	100	1,889,489	1,889,589
Profit for the year		556,923	556,923
Total comprehensive income for the year	<u>-</u>	<u>556,923</u>	<u>556,923</u>
Dividends paid and payable		(220,000)	(220,000)
Total investments by and distributions to owners	<u>-</u>	<u>(220,000)</u>	<u>(220,000)</u>
At 31 March 2021 and 1 April 2021	<u>100</u>	<u>2,226,412</u>	<u>2,226,512</u>
Profit for the year		308,057	308,057
Total comprehensive income for the year	<u>-</u>	<u>308,057</u>	<u>308,057</u>
Dividends paid and payable		(368,000)	(368,000)
Total investments by and distributions to owners	<u>-</u>	<u>(368,000)</u>	<u>(368,000)</u>
At 31 March 2022	<u>100</u>	<u>2,166,469</u>	<u>2,166,569</u>

Joseph Morris Butchers Limited**Statement of cash flows****Year ended 31 March 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Profit for the financial year	308,057	556,923
<i>Adjustments for:</i>		
Depreciation of tangible assets	153,820	136,450
Government grant income	(8,325)	(122,543)
Other interest receivable and similar income	(17)	(292)
Interest payable and similar expenses	2,851	340
Gain/(loss) on disposal of tangible assets	(30,392)	(1,375)
Tax on profit	88,299	136,546
Accrued expenses/(income)	8,189	(2,207)
<i>Changes in:</i>		
Stocks	(57,861)	(26,750)
Trade and other debtors	(42,156)	77,272
Trade and other creditors	70,809	(99,543)
Cash generated from operations	493,274	654,821
Interest paid	(2,851)	(340)
Interest received	17	292
Tax paid	(136,649)	(56,639)
Net cash from operating activities	353,791	598,134
Cash flows from investing activities		
Purchase of tangible assets	(161,866)	(709,694)
Proceeds from sale of tangible assets	62,670	2,500
Net cash used in investing activities	(99,196)	(707,194)
Cash flows from financing activities		
Proceeds from borrowings	(67)	120,642
Government grant income	8,325	122,543
Payment of finance lease liabilities	(17,461)	(5,132)
Equity dividends paid	(368,000)	(220,000)
Net cash (used in)/from financing activities	(377,203)	18,053
Net increase/(decrease) in cash and cash equivalents	(122,608)	(91,007)
Cash and cash equivalents at beginning of year	344,773	435,780
Cash and cash equivalents at end of year	222,165	344,773

Joseph Morris Butchers Limited
Notes to the financial statements
Year ended 31 March 2022

1. General information

The company is a private company limited by shares, registered in England. The address of the registered office is Walnut Tree House, Walcote Road, South Kilworth, Lutterworth, LE17 6EG.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. 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 capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20 % straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long leasehold property	-	5 % straight line
Improvements to leasehold property	-	5 % straight line
Warehouse improvements	-	10 % straight line
Fittings fixtures and equipment	-	25 % reducing balance
Motor vehicles	-	25 % reducing balance
Office equipment	-	25 % straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Hire purchase and finance leases

Assets held under finance leases are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the Balance sheet and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2022	2021
	£	£
Rental income	23,183	14,485
Government grant income	8,325	122,543
Other operating income	3,423	-
	<hr/>	<hr/>
	34,931	137,028
	<hr/>	<hr/>

6. Operating profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible assets	153,820	136,450
(Gain)/loss on disposal of tangible assets	(30,392)	(1,375)
Impairment of trade debtors	1,797	2,304
Fees payable for the audit of the financial statements	6,000	-
	<u> </u>	<u> </u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2022	2021
Directors	3	3
Administration	9	7
Production	74	72
	<u> </u>	<u> </u>
	86	82
	<u> </u>	<u> </u>

The aggregate payroll costs incurred during the year were:

	2022	2021
	£	£
Wages and salaries	2,421,322	2,272,442
Social security costs	224,510	208,326
Other pension costs	117,474	80,300
	<u> </u>	<u> </u>
	2,763,306	2,561,068
	<u> </u>	<u> </u>

8. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	42,872	43,301
Company contributions to pension schemes in respect of qualifying services	47,717	17,481
	<u> </u>	<u> </u>
	90,589	60,782
	<u> </u>	<u> </u>

9. Interest payable and similar expenses

	2022	2021
	£	£
Bank loans and overdrafts	2,653	-
Other loans made to the company:		
Finance leases and hire purchase contracts	198	241
Other interest payable and similar expenses	-	99
	<u>2,851</u>	<u>340</u>

10. Tax on profit

Major components of tax expense

	2022	2021
	£	£
Current tax:		
UK current tax expense	67,100	136,650
Adjustments in respect of previous periods	(1)	(4)
	<u></u>	<u></u>
Deferred tax:		
Origination and reversal of timing differences	21,200	(100)
	<u></u>	<u></u>
Tax on profit	<u>88,299</u>	<u>136,546</u>

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19.00 % (2021: 19.00%).

	2022	2021
	£	£
Profit before taxation	396,356	693,469
	<u></u>	<u></u>
Profit multiplied by rate of tax	75,308	131,759
Adjustments in respect of prior periods	(1)	(4)
Effect of expenses not deductible for tax purposes	441	374
Effect of capital allowances and depreciation	12,558	4,358
Rounding difference	(7)	59
	<u></u>	<u></u>
Tax on profit	<u>88,299</u>	<u>136,546</u>

11. Dividends

Equity dividends

	2022	2021
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	368,000	220,000

12. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2021 and 31 March 2022	859,000	859,000
Amortisation		
At 1 April 2021 and 31 March 2022	859,000	859,000
Carrying amount		
At 31 March 2022	-	-
At 31 March 2021	-	-

13. Tangible assets

	Freehold property	Long leasehold property	Short leasehold property	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	£	£	£	£	£	£	£	£
Cost								
At 1 April 2021	1,709,936	715,487	80,891	11,536	386,717	353,878	5,554	3,263,999
Additions	-	-	-	-	86,813	97,876	1,767	186,456
Disposals	-	-	-	-	(23,900)	(89,785)	(810)	(114,495)
At 31 March 2022	1,709,936	715,487	80,891	11,536	449,630	361,969	6,511	3,335,960
Depreciation								
At 1 April 2021	61,325	357,750	22,874	11,536	279,906	218,588	4,404	956,383
Charge for the year	14,152	35,775	4,045	-	47,550	51,089	1,209	153,820
Disposals	-	-	-	-	(20,444)	(60,963)	(810)	(82,217)
At 31 March 2022	75,477	393,525	26,919	11,536	307,012	208,714	4,803	1,027,986
Carrying amount								
At 31 March 2022	1,634,459	321,962	53,972	-	142,618	153,255	1,708	2,307,974
At 31 March 2021	1,648,611	357,737	58,017	-	106,811	135,290	1,150	2,307,616

14. Stocks

	2022	2021
	£	£
Finished goods	236,761	178,900

15. Debtors

	2022	2021
	£	£
Trade debtors	193,296	139,194
Prepayments and accrued income	62,522	67,281
Other debtors	34,696	55,305
	290,514	261,780

16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	31,818	31,818
Trade creditors	433,000	385,707
Corporation tax	67,100	136,650
Social security and other taxes	53,821	51,377
Obligations under finance leases	9,573	21,450
Director loan accounts	37,107	5,368
Other creditors	35,829	14,757
	668,248	647,127

17. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Obligations under finance leases	5,584	-
Other creditors	108,724	140,530
	114,308	140,530

Included within creditors: amounts falling due after more than one year is an amount of £ nil (2021 £ 13,258) in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

18. Obligations under finance leases**Company lessee**

The total future minimum lease payments under finance lease agreements are as follows:

	2022	2021
	£	£
Not later than 1 year	9,573	21,450
Later than 1 year and not later than 5 years	5,584	-
	15,157	21,450
Present value of minimum lease payments	15,157	21,450

19. Provisions

	Deferred tax (note 20)	Total
	£	£
At 1 April 2021	72,900	72,900
Charges against provisions	21,200	21,200
	<hr/>	<hr/>
At 31 March 2022	94,100	94,100
	<hr/>	<hr/>

20. Deferred tax

The deferred tax included in the Balance sheet is as follows:

	2022	2021
	£	£
Included in provisions (note 19)	94,100	72,900
	<hr/>	<hr/>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	96,100	74,800
Short term timing difference	(2,000)	(1,900)
	<hr/>	<hr/>
	94,100	72,900
	<hr/>	<hr/>

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	8,325	122,543
	<hr/>	<hr/>

22. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No	£	No	£
Ordinary A shares shares of £ 1.00 each	40	40	40	40
Ordinary B shares shares of £ 1.00 each	40	40	40	40
Ordinary C shares shares of £ 1.00 each	20	20	20	20
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

23. Analysis of changes in net debt

	At 1 April 2021	Cash flows	At 31 March 2022
	£	£	£
Cash and cash equivalents	344,773	(122,608)	222,165
Debt due within one year	(58,636)	(19,862)	(78,498)
Debt due after one year	(140,530)	26,222	(114,308)
	<u>145,607</u>	<u>(116,248)</u>	<u>29,359</u>

24. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	£	£
Not later than 1 year	17,000	17,000
Later than 1 year and not later than 5 years	4,250	21,250
	<u>21,250</u>	<u>38,250</u>

25. Directors advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2022

Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
£	£	£	£
206	109,257	(125,000)	(15,537)
27,235	109,318	(135,000)	1,553
<u>27,441</u>	<u>218,575</u>	<u>(260,000)</u>	<u>(13,984)</u>

2021

Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
£	£	£	£
(26,758)	102,419	(75,455)	206
25,456	98,983	(97,204)	27,235
<u>(1,302)</u>	<u>201,402</u>	<u>(172,659)</u>	<u>27,441</u>

The above transactions were interest free, had no fixed repayment date and were unsecured.

26. Controlling party

The company is under the control of RJ Morris, RW Morris and Mrs HE Watts , who together own 100% of the issued share capital.

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.