

Company registration number: 7540052

Joseph Morris Butchers Limited

Audited financial statements

**for the Year ended
31 March 2023**

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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 2023

Review of the Business

Overall, the company has reported an increase in turnover of 12% in comparison to the previous year.

The gross profit margin has increased to 17.3% from 14.4% in the previous year.

The company maintains a healthy cash position.

The overall results for the period are considered to be very good, particularly when taking into account the cost of living crisis and competitive market conditions.

Principal Activity

The principal activity of the company in the year under review is three retail shops, with a wholesale catering butchery department.

Principle Risks and Uncertainties

The company faces challenges from global food price increases, as a result of the Russia and Ukraine conflict, tight margins on sales, and the knock on affect of the Covid 19 pandemic on the catering / hospitality market.

The directors are monitoring this situation closely, with any necessary action undertaken.

The main risk to the company is the cost of living crisis which is prompting consumers to spend less. The company continually updates plans to manage this, and the company is well placed to deal with any disruption.

Additional risks have been increasing energy costs, however the company has sufficient margins to account for this.

Organisation

The directors continue to monitor the company's organisation and profitability in such a competitive industry. Changes are implemented where necessary to minimise any risks and uncertainties the company faces in retaining profit margins.

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 holding up well. The short term prospects remain very positive.

This report was approved by the board of directors on 30 October 2023 and signed on behalf of the board by:



Mrs H E Watts
Director

Joseph Morris Butchers Limited

Directors report Year ended 31 March 2023

The directors present their report and the financial statements of the company for the year ended 31 March 2023.

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.

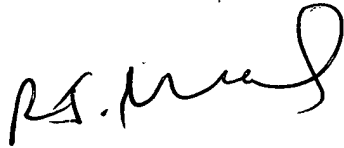
The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Joseph Morris Butchers Limited

Directors report (continued)

Year ended 31 March 2023

This report was approved by the board of directors on 30 October 2023 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'R. J. Morris', written over a horizontal line.

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 2023

Opinion

We have audited the financial statements of Joseph Morris Butchers Limited (the 'company') for the year ended 31 March 2023 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, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 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.

Joseph Morris Butchers Limited

Independent auditor's report to the members of Joseph Morris Butchers Limited (continued) Year ended 31 March 2023

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:

Joseph Morris Butchers Limited

Independent auditor's report to the members of Joseph Morris Butchers Limited (continued) Year ended 31 March 2023

In order to assess the risk of material misstatement due to irregularities, including fraud and non-compliance with laws and regulations, the following procedures were carried out:

- consideration of the nature of the industry and relevant laws and regulations;
- enquiring of management of the applicable laws and regulations, any known instances of non-compliance, and the areas management assess to be most susceptible to fraud;
- obtaining an understanding of the legal and regulatory framework in which the entity operates which have a direct effect on the financial statement, including the UK Companies Act and Financial Reporting Standards;
- considering other laws and regulations where, although not having a direct impact on the financial statements, compliance may be fundamental to the entity's ability to continue trading, such as Food Standards Agency.

Using the understanding we gained from the above, we designed audit procedures to identify non-compliance with these laws and regulations and to respond to fraud risk. This included:

- reviewing financial statement disclosures;
- enquiring with management of any known non-compliance or fraud, and any past or current litigation or claims;
- reviewing legal expenses for costs incurred in relation to non-compliance or fraud;
- testing of journal entries for indications of management override of controls;
- reviewing result of Food Standard Agency audit;
- enquiring of management of controls in place and walkthrough testing of systems;
- substantive testing of balances and transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Joseph Morris Butchers Limited

**Independent auditor's report to the members of
Joseph Morris Butchers Limited (continued)
Year ended 31 March 2023**

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

30 October 2023

Joseph Morris Butchers Limited

**Profit and loss account
Year ended 31 March 2023**

	Note	2023 £	2022 £
Turnover	4	12,612,467	11,247,070
Cost of sales		(10,429,364)	(9,628,318)
Gross profit		<u>2,183,103</u>	<u>1,618,752</u>
Administrative expenses		(1,430,367)	(1,254,493)
Other operating income	5	<u>27,287</u>	<u>34,931</u>
Operating profit	6	<u>780,023</u>	<u>399,190</u>
Gain on investment properties at fair value through profit or loss		187,180	-
Other interest receivable and similar income		537	17
Interest payable and similar expenses	9	<u>(6,706)</u>	<u>(2,851)</u>
Profit before taxation		961,034	396,356
Tax on profit	10	<u>(185,474)</u>	<u>(88,299)</u>
Profit for the financial year and total comprehensive income		<u><u>775,560</u></u>	<u><u>308,057</u></u>
Dividends declared and paid or payable during the year ¹¹		(378,000)	(368,000)
Retained earnings at the start of the year		<u>2,166,469</u>	<u>2,226,412</u>
Retained earnings at the end of the year		<u><u>2,564,029</u></u>	<u><u>2,166,469</u></u>

All the activities of the company are from continuing operations.

The notes on pages 14 to 26 form part of these financial statements.

Joseph Morris Butchers Limited

**Balance sheet
31 March 2023**

	Note	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	12	-		-	
Tangible assets	13	2,432,310		2,307,974	
			2,432,310		2,307,974
Current assets					
Stocks	14	244,501		236,761	
Debtors	15	327,529		290,514	
Cash at bank and in hand		444,624		222,165	
		1,016,654		749,440	
Creditors: amounts falling due within one year	16	(668,223)		(668,248)	
Net current assets			348,431		81,192
Total assets less current liabilities			2,780,741		2,389,166
Creditors: amounts falling due after more than one year	17		(78,876)		(114,308)
Provisions for liabilities	19		(123,800)		(94,100)
Accruals and deferred income			(13,936)		(14,189)
Net assets			2,564,129		2,166,569
Capital and reserves					
Called up share capital	23		100		100
Revaluation reserve			140,380		-
Profit and loss account			2,423,649		2,166,469
Shareholders funds			2,564,129		2,166,569

The notes on pages 14 to 26 form part of these financial statements.

Joseph Morris Butchers Limited

Balance sheet (continued)
31 March 2023

These financial statements were approved by the board of directors and authorised for issue on 30 October 2023, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'RJ Morris', is positioned above the printed name of the director.

Mr R J Morris
Director

Company registration number: 7540052

The notes on pages 14 to 26 form part of these financial statements.

Joseph Morris Butchers Limited

**Statement of changes in equity
Year ended 31 March 2023**

	Called up share capital	Revaluation reserve	Profit and loss account	Total
	£	£	£	£
At 1 April 2021	100	-	2,226,412	2,226,512
Profit for the year			308,057	308,057
Total comprehensive income for the year	-	-	308,057	308,057
Dividends paid and payable			(368,000)	(368,000)
Total investments by and distributions to owners	-	-	(368,000)	(368,000)
At 31 March 2022 and 1 April 2022	100	-	2,166,469	2,166,569
Profit for the year			775,560	775,560
Other comprehensive income for the year:				
Reclassification from revaluation reserve to profit and loss account		140,380	(140,380)	-
Total comprehensive income for the year	-	140,380	635,180	775,560
Dividends paid and payable			(378,000)	(378,000)
Total investments by and distributions to owners	-	-	(378,000)	(378,000)
At 31 March 2023	100	140,380	2,423,649	2,564,129

Joseph Morris Butchers Limited

**Statement of cash flows
Year ended 31 March 2023**

	2023	2022
	£	£
Cash flows from operating activities		
Profit for the financial year	775,560	308,057
<i>Adjustments for:</i>		
Depreciation of tangible assets	150,680	153,820
Government grant income	-	(8,325)
Gain/(loss) on financial assets at fair value through profit or loss	(187,180)	-
Other interest receivable and similar income	(537)	(17)
Interest payable and similar expenses	6,706	2,851
Gain/(loss) on disposal of tangible assets	3,271	(30,392)
Tax on profit	185,474	88,299
Accrued expenses/(income)	(253)	8,189
<i>Changes in:</i>		
Stocks	(7,740)	(57,861)
Trade and other debtors	(37,015)	(42,156)
Trade and other creditors	(82,474)	70,809
Cash generated from operations	806,492	493,274
Interest paid	(6,706)	(2,851)
Interest received	537	17
Tax paid	(67,474)	(136,649)
Net cash from operating activities	<u>732,849</u>	<u>353,791</u>
Cash flows from investing activities		
Purchase of tangible assets	(94,807)	(161,866)
Proceeds from sale of tangible assets	3,700	62,670
Net cash used in investing activities	<u>(91,107)</u>	<u>(99,196)</u>
Cash flows from financing activities		
Proceeds from borrowings	-	(67)
Repayments of borrowings	(31,710)	-
Government grant income	-	8,325
Payment of finance lease liabilities	(9,573)	(17,461)
Equity dividends paid	(378,000)	(368,000)
Net cash used in financing activities	<u>(419,283)</u>	<u>(377,203)</u>
Net increase/(decrease) in cash and cash equivalents	<u>222,459</u>	<u>(122,608)</u>
Cash and cash equivalents at beginning of year	<u>222,165</u>	<u>344,773</u>
Cash and cash equivalents at end of year	<u>444,624</u>	<u>222,165</u>

Joseph Morris Butchers Limited

Notes to the financial statements Year ended 31 March 2023

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.

Joseph Morris Butchers Limited

Notes to the financial statements (continued) Year ended 31 March 2023

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:

Freehold property	- 5%	straight line
Improvements to 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.

Investment property

Investment property is measured initially at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

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.

Joseph Morris Butchers Limited

Notes to the financial statements (continued) **Year ended 31 March 2023**

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 recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

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.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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.

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

5. Other operating income

	2023	2022
	£	£
Rental income	24,037	23,183
Government grant income	-	8,325
Other operating income	3,250	3,423
	<u>27,287</u>	<u>34,931</u>

6. Operating profit

Operating profit is stated after charging/(crediting):

	2023	2022
	£	£
Depreciation of tangible assets	150,680	153,820
(Gain)/loss on disposal of tangible assets	3,271	(30,392)
Impairment of trade debtors	1,703	1,797
Fees payable for the audit of the financial statements	6,000	6,000
	<u>161,654</u>	<u>131,225</u>

7. Staff costs

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

	2023	2022
Directors	3	3
Administrative staff	9	9
Production staff	78	74
	<u>90</u>	<u>86</u>

The aggregate payroll costs incurred during the year were:

	2023	2022
	£	£
Wages and salaries	2,489,237	2,419,817
Social security costs	245,865	224,510
Other pension costs	151,120	117,474
	<u>2,886,222</u>	<u>2,761,801</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

8. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	42,924	41,367
Company contributions to pension schemes in respect of qualifying services	77,244	47,717
	<u>120,168</u>	<u>89,084</u>

9. Interest payable and similar expenses

	2023	2022
	£	£
Bank loans and overdrafts	6,310	2,653
Other loans made to the company:		
Finance leases and hire purchase contracts	396	198
	<u>6,706</u>	<u>2,851</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

10. Tax on profit

Major components of tax expense

	2023	2022
	£	£
Current tax:		
UK current tax expense	155,400	67,100
Adjustments in respect of previous periods	374	(1)
	<u>155,774</u>	<u>67,099</u>
Deferred tax:		
Origination and reversal of timing differences	29,700	21,200
	<u>29,700</u>	<u>21,200</u>
Tax on profit	<u><u>185,474</u></u>	<u><u>88,299</u></u>

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%).

	2023	2022
	£	£
Profit before taxation	961,034	396,356
	<u>961,034</u>	<u>396,356</u>
Profit multiplied by rate of tax	182,596	75,308
Adjustments in respect of prior periods	374	(1)
Effect of expenses not deductible for tax purposes	1,594	441
Effect of capital allowances and depreciation	(28,404)	12,558
Effect of different UK tax rates on some earnings	29,720	-
Rounding difference	(406)	(7)
	<u>185,474</u>	<u>88,299</u>
Tax on profit	<u><u>185,474</u></u>	<u><u>88,299</u></u>

11. Dividends

Equity dividends

	2023	2022
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	378,000	368,000
	<u>378,000</u>	<u>368,000</u>

Joseph Morris Butchers Limited
Notes to the financial statements (continued)
Year ended 31 March 2023

12. Intangible assets

	Goodwill	Total
	£	£
Cost		
At 1 April 2022 and 31 March 2023	859,000	859,000
Amortisation		
At 1 April 2022 and 31 March 2023	859,000	859,000
Carrying amount		
At 31 March 2023	-	-
At 31 March 2022	-	-

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

13. Tangible assets

	Freehold property	Investment property	Improvements to property	Slaughter house and warehouse	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	£	£	£	£	£	£	£	£
Cost or valuation								
At 1 April 2022	1,532,603	892,820	80,891	11,536	449,630	361,969	6,511	3,335,960
Additions	-	-	-	-	61,557	33,250	-	94,807
Disposals	-	-	-	(3,508)	(24,033)	(14,250)	(2,147)	(43,938)
Revaluation	-	187,180	-	-	-	-	-	187,180
At 31 March 2023	<u>1,532,603</u>	<u>1,080,000</u>	<u>80,891</u>	<u>8,028</u>	<u>487,154</u>	<u>380,969</u>	<u>4,364</u>	<u>3,574,009</u>
Depreciation								
At 1 April 2022	469,002	-	26,919	11,536	307,012	208,714	4,803	1,027,986
Charge for the year	49,927	-	4,045	-	49,488	46,512	708	150,680
Disposals	-	-	-	(3,508)	(17,643)	(13,786)	(2,030)	(36,967)
At 31 March 2023	<u>518,929</u>	<u>-</u>	<u>30,964</u>	<u>8,028</u>	<u>338,857</u>	<u>241,440</u>	<u>3,481</u>	<u>1,141,699</u>
Carrying amount								
At 31 March 2023	<u>1,013,674</u>	<u>1,080,000</u>	<u>49,927</u>	<u>-</u>	<u>148,297</u>	<u>139,529</u>	<u>883</u>	<u>2,432,310</u>
At 31 March 2022	<u>1,063,601</u>	<u>892,820</u>	<u>53,972</u>	<u>-</u>	<u>142,618</u>	<u>153,255</u>	<u>1,708</u>	<u>2,307,974</u>

There is a fixed and floating charge over the assets of the company.

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

Investment property

Investment properties are measured at fair value as follows:

	£
At 1 April 2022	892,820
Fair value adjustments	187,180
At 31 March 2023	<u>1,080,000</u>

The investment properties have been adjusted to fair value based on the directors' valuation at the year end date.

The cost of the investment properties is £892,820.

14. Stocks

	2023	2022
	£	£
Finished goods	<u>244,501</u>	<u>236,761</u>

15. Debtors

	2023	2022
	£	£
Trade debtors	234,280	193,296
Prepayments and accrued income	60,724	62,522
Other debtors	32,525	34,696
	<u>327,529</u>	<u>290,514</u>

16. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	31,817	31,818
Trade creditors	383,535	433,000
Corporation tax	155,400	67,100
Social security and other taxes	56,048	53,821
Obligations under finance leases	3,723	9,573
Director loan accounts	11,826	37,107
Other creditors	25,874	35,829
	<u>668,223</u>	<u>668,248</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

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

	2023	2022
	£	£
Obligations under finance leases	1,861	5,584
Other creditors	77,015	108,724
	<u>78,876</u>	<u>114,308</u>

18. Obligations under finance leases

Company lessee

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

	2023	2022
	£	£
Not later than 1 year	3,723	9,573
Later than 1 year and not later than 5 years	1,861	5,584
	<u>5,584</u>	<u>15,157</u>
Present value of minimum lease payments	<u>5,584</u>	<u>15,157</u>

19. Provisions

	Deferred tax (note 20)	Total
	£	£
At 1 April 2022	94,100	94,100
Additions	29,700	29,700
At 31 March 2023	<u>123,800</u>	<u>123,800</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

20. Deferred tax

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

	2023	2022
	£	£
Included in provisions (note 19) -	123,800	94,100
	<u>123,800</u>	<u>94,100</u>

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

	2023	2022
	£	£
Accelerated capital allowances	172,100	96,100
Fair value adjustment of investment property	(46,800)	-
Pension	(1,500)	(2,000)
	<u>123,800</u>	<u>94,100</u>

21. Government grants

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

	2023	2022
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	-	8,325
	<u>-</u>	<u>8,325</u>

22. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Trade debtors	234,280	193,296
Other debtors	32,525	34,696
Cash at bank and in hand	444,624	222,165
	<u>711,429</u>	<u>450,157</u>
Financial liabilities measured at amortised cost		
Bank and other loans	108,832	140,542
Trade creditors	383,535	433,000
Other creditors	39,810	50,015
	<u>532,177</u>	<u>623,557</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

23. Called up share capital

	2023		2022	
	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>

24. Analysis of changes in net debt

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash and cash equivalents	222,165	222,459	444,624
Debt due within one year	(78,498)	31,132	(47,366)
Debt due after one year	(114,308)	35,432	(78,876)
	<u>29,359</u>	<u>289,023</u>	<u>318,382</u>

25. Operating leases

The company as lessee

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

	2023	2022
	£	£
Not later than 1 year	4,250	17,000
Later than 1 year and not later than 5 years	-	4,250
	<u>4,250</u>	<u>21,250</u>

Joseph Morris Butchers Limited

Notes to the financial statements (continued)
Year ended 31 March 2023

26. Directors advances, credits and guarantees

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

2023

Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
£	£	£	£
1,553	131,838	(130,000)	3,391
<u>1,553</u>	<u>131,838</u>	<u>(130,000)</u>	<u>3,391</u>

2022

Balance brought forward	Advances /(credits) to the directors	Amounts repaid	Balance o/standing
£	£	£	£
27,235	109,318	(135,000)	1,553
<u>27,235</u>	<u>109,318</u>	<u>(135,000)</u>	<u>1,553</u>

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