

COMPANY REGISTRATION NUMBER: 08387108

Varian Stable Ltd
Financial Statements
For the year ended
31 March 2023



Varian Stable Ltd

Financial Statements

Year ended 31 March 2023

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Varian Stable Ltd

Officers and Professional Advisers

THE BOARD OF DIRECTORS

Mrs H Varian
Mr R Varian

REGISTERED OFFICE

Lushington House
119 High Street
Newmarket
Suffolk
CB8 9AE

AUDITOR

Streets Audit LLP
Chartered Accountants & statutory auditor
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

Varian Stable Ltd

Strategic Report

Year ended 31 March 2023

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non complex nature of our business and is written in the context of the risks and uncertainties we face.

PRINCIPAL ACTIVITIES

The company's principal activity continued to be the training of racehorses.

KEY PERFORMANCE INDICATORS

The directors consider that the key financial performance indicators for the business are turnover, gross profit and profit before taxation, as outlined below:

	2023	2022
	£	£
Turnover	6,960,584	6,857,830
Gross Profit	854,175	1,120,756
Profit before taxation	73,357	346,430

BUSINESS REVIEW

The directors are satisfied with the performance of the business during the year in what was a challenging economic climate with high inflationary pressures impacting costs.

For the current financial year ended 31 March 2024, the directors expect revenue and costs to be rebalanced and a return to a profit level similar to that noted in the year ended 31 March 2022 is anticipated.

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a leisure business (racehorse training) where demand for its services are uncertain and the profit margin is low. Demand levels and profitability is largely based on racecourse performance.

While the company continues to enjoy racecourse success and attract customer demand this does represent the principal uncertainty.

FINANCIAL INSTRUMENTS

The financial instruments used by the company arise wholly and directly from its activities. The financial instruments comprise trade debtors, cash at bank and trade creditors. The company has put in place the following measures in order to manage financial risks arising from these financial instruments:

1. The company regularly monitors the level of debtors to ensure that they are kept at reasonable levels and within a predetermined strict credit limit.
2. The company carefully manages its cash position by regularly monitoring its cash flow.
3. The company regularly monitors the trade balance and credit limit terms for all suppliers.

Varian Stable Ltd

Strategic Report *(continued)*

Year ended 31 March 2023

FUTURE DEVELOPMENTS AND PERFORMANCE

For the current financial year ended 31 March 2024, the directors expect revenue and costs to be rebalanced and a return to a profit level similar to that noted in the year ended 31 March 2022 is anticipated.

This report was approved by the board of directors on 26/3/24 and signed on behalf of the board by:



Mr R Varian
Director

Varian Stable Ltd

Directors' Report

Year ended 31 March 2023

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

Directors

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

Mrs H Varian
Mr R Varian

Dividends

Particulars of recommended dividends are detailed in note 12 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 group and the company and the profit or loss of the group 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;
- 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:

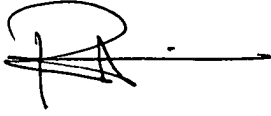
- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's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

Varian Stable Ltd

Directors' Report *(continued)*

Year ended 31 March 2023

This report was approved by the board of directors on26/3/24..... and signed on behalf of the board by:

A handwritten signature in black ink, consisting of a stylized 'R' followed by a horizontal line and a small flourish.

Mr R Varian
Director

Varian Stable Ltd

Independent Auditor's Report to the Members of Varian Stable Ltd

Year ended 31 March 2023

Opinion

We have audited the financial statements of Varian Stable Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of income and retained earnings, company statement of income and retained earnings, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes, 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 group's and of the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group 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 group's or the parent 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.

Varian Stable Ltd

Independent Auditor's Report to the Members of Varian Stable Ltd *(continued)*

Year ended 31 March 2023

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 have been prepared in accordance with applicable legal requirements.
- the comparative information has not been audited.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Varian Stable Ltd

Independent Auditor's Report to the Members of Varian Stable Ltd *(continued)*

Year ended 31 March 2023

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 group's and the parent 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 group or the parent 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the company and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Varian Stable Ltd

Independent Auditor's Report to the Members of Varian Stable Ltd *(continued)*

Year ended 31 March 2023

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Varian Stable Ltd

Independent Auditor's Report to the Members of Varian Stable Ltd *(continued)*

Year ended 31 March 2023

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 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 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.



Richard Moor (Senior Statutory Auditor)

For and on behalf of
Streets Audit LLP
Chartered Accountants & statutory auditor
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

27/3/24

Varian Stable Ltd

Consolidated Statement of Income and Retained Earnings

Year ended 31 March 2023

		2023	2022 (restated)
	Note	£	£
Turnover	4	6,960,584	6,857,830
Cost of sales		<u>6,106,409</u>	<u>5,737,074</u>
Gross profit		854,175	1,120,756
Administrative expenses		<u>629,335</u>	<u>644,307</u>
Operating profit	5	224,840	476,449
Other interest receivable and similar income	9	44	2
Interest payable and similar expenses	10	<u>151,527</u>	<u>130,021</u>
Profit before taxation		73,357	346,430
Tax on profit	11	<u>11,794</u>	<u>85,956</u>
Profit for the financial year and total comprehensive income		<u>61,563</u>	<u>260,474</u>
Dividends paid and payable	12	(90,000)	(80,000)
Retained earnings at the start of the year		<u>2,229,385</u>	<u>2,048,911</u>
Retained earnings at the end of the year		<u>2,200,948</u>	<u>2,229,385</u>

All the activities of the group are from continuing operations.

The notes on pages 16 to 27 form part of these financial statements.

Varian Stable Ltd

Company Statement of Income and Retained Earnings

Year ended 31 March 2023

		2023	2022 (restated)
	Note	£	£
Profit for the financial year and total comprehensive income		29,163	260,474
Dividends paid and payable	12	(90,000)	(80,000)
Retained earnings at the start of the year		<u>2,229,385</u>	<u>2,048,911</u>
Retained earnings at the end of the year		<u><u>2,168,548</u></u>	<u><u>2,229,385</u></u>

The notes on pages 16 to 27 form part of these financial statements.

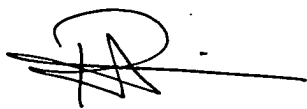
Varian Stable Ltd

Consolidated Statement of Financial Position

31 March 2023

	Note	2023 £	2022 (restated) £
Fixed assets			
Intangible assets	13	30,000	30,000
Tangible assets	14	<u>6,354,060</u>	<u>6,343,640</u>
		6,384,060	6,373,640
Current assets			
Stocks	16	218,350	154,000
Debtors	17	1,017,459	1,035,534
Cash at bank and in hand		<u>36,867</u>	<u>54,414</u>
		1,272,676	1,243,948
Creditors: amounts falling due within one year	19	<u>2,536,391</u>	<u>2,297,484</u>
Net current liabilities		<u>1,263,715</u>	<u>1,053,536</u>
Total assets less current liabilities		5,120,345	5,320,104
Creditors: amounts falling due after more than one year	20	2,831,205	3,006,721
Provisions	21	<u>88,092</u>	<u>83,898</u>
Net assets		<u><u>2,201,048</u></u>	<u><u>2,229,485</u></u>
Capital and reserves			
Called up share capital	25	100	100
Profit and loss account		<u>2,200,948</u>	<u>2,229,385</u>
Shareholders funds		<u><u>2,201,048</u></u>	<u><u>2,229,485</u></u>

These financial statements were approved by the board of directors and authorised for issue on 26/3/24 and are signed on behalf of the board by:



Mr R Varian
Director

Company registration number: 08387108

The notes on pages 16 to 27 form part of these financial statements.

Varian Stable Ltd

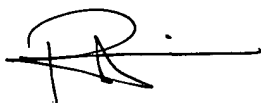
Company Statement of Financial Position

31 March 2023

		2023	2022 (restated)
	Note	£	£
Fixed assets			
Tangible assets	14	564,460	554,040
Investments	15	<u>31,000</u>	<u>31,000</u>
		595,460	585,040
Current assets			
Stocks	16	218,350	154,000
Debtors	17	6,758,059	6,824,134
Cash at bank and in hand		<u>36,840</u>	<u>54,414</u>
		7,013,249	7,032,548
Creditors: amounts falling due within one year	19	<u>2,520,764</u>	<u>2,297,484</u>
Net current assets		4,492,485	4,735,064
Total assets less current liabilities		5,087,945	5,320,104
Creditors: amounts falling due after more than one year	20	2,831,205	3,006,721
Provisions	21	<u>88,092</u>	<u>83,898</u>
Net assets		<u>2,168,648</u>	<u>2,229,485</u>
Capital and reserves			
Called up share capital	25	100	100
Profit and loss account		<u>2,168,548</u>	<u>2,229,385</u>
Shareholders funds		<u>2,168,648</u>	<u>2,229,485</u>

The profit for the financial year of the parent company was £29,163 (2022: £260,474).

These financial statements were approved by the board of directors and authorised for issue on 26/3/24, and are signed on behalf of the board by:



Mr R Varian
Director

Company registration number: 08387108

The notes on pages 16 to 27 form part of these financial statements.

Varian Stable Ltd

Consolidated Statement of Cash Flows

Year ended 31 March 2023

	Note	2023 £	2022 (restated) £
Cash flows from operating activities			
Profit for the financial year		61,563	260,474
<i>Adjustments for:</i>			
Depreciation of tangible assets		66,122	36,538
Interest payable and similar expenses		151,527	130,021
Tax on profit		11,794	85,956
<i>Changes in:</i>			
Stocks		(64,350)	(3,000)
Trade and other debtors		18,075	(49,455)
Trade and other creditors		323,797	222,924
Cash generated from operations		568,528	683,458
Interest paid		(151,527)	(130,021)
Tax paid		(77,764)	(90,093)
Net cash from operating activities		<u>339,237</u>	<u>463,344</u>
Cash flows from investing activities			
Purchase of tangible assets		(76,542)	(232,133)
Net cash used in investing activities		<u>(76,542)</u>	<u>(232,133)</u>
Cash flows from financing activities			
Repayments of borrowings		(282,355)	(233,667)
Dividends paid		(90,000)	(80,000)
Net cash used in financing activities		<u>(372,355)</u>	<u>(313,667)</u>
Net decrease in cash and cash equivalents		(109,660)	(82,456)
Cash and cash equivalents at beginning of year		(237,536)	(155,080)
Cash and cash equivalents at end of year	18	<u>(347,196)</u>	<u>(237,536)</u>

The notes on pages 16 to 27 form part of these financial statements.

Varian Stable Ltd

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 and Wales. The address of the registered office is Lushington House, 119 High Street, Newmarket, Suffolk, CB8 9AE.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The Directors acknowledge that the consolidated statement of financial position shows net current liabilities and the consolidated statement of income indicates reduced profits year on year. Subsequent to 31 March 2023, profitability has improved and overall the Directors consider it appropriate to prepare these financial statements on a going concern basis.

Disclosure exemptions

There are no disclosure exemptions available under FRS 102.

Consolidation

The consolidated financial statements incorporate the financial statements of Varian Property Ltd and all of its subsidiary undertakings. The group was formed following a reconstruction on 28th November 2016, which introduced this company as the parent of Varian Property Limited. The ultimate shareholders of Varian Stables Limited remained the same following the group reconstruction.

As a consolidated income statement is published, a separate income statement for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Varian Stable Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

Significant judgements

There are no judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other 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 as follows:

Tangible fixed assets are recognised at cost, less accumulated depreciation. Depreciation is charged over the estimated useful life of the asset to its estimated residual value.

The recoverability of trade debtors and amounts due under contracts not yet invoiced are considered on a regular basis. When calculating the debtor provision, the directors consider the age of the debts and the financial position of its customer. When considering the recoverability of amounts due under contracts not yet invoiced, the directors consider the overall expected results of the contract.

Revenue recognition

The turnover shown in the profit and loss account represents the sales of horses during the year and the provision of training and keep services, exclusive of Value Added Tax.

Turnover arising from the sale of horses is recognised upon the transfer of risk (generally when passport ownership transfers). Training and keep income is recognised evenly through the period as invoiced (usually monthly). Prize money is recognised on the race day.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, 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. 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.

Varian Stable Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

3. Accounting policies *(continued)*

Goodwill

Goodwill relates to the amount paid to secure the remaining interest in the subsidiary entity during the year ended 31 March 2020, such that it became wholly owned. The only asset of the subsidiary at the time was the freehold property used and occupied by the group. It is not certain whether the purchase cost represents a fair value increase in the property from initial purchase to the date of acquisition or a premium. The directors have included this balance in goodwill, acknowledge it is not material and have not charged amortisation.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation.

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:

Tenanted property improvements	-	5% straight line
Machinery and equipment	-	10% - 20% reducing balance

Freehold buildings are subject to regular maintenance and repair such that it is the directors opinion that the estimated residual values of the buildings are not materially different from their carrying value in the accounts. As a result no depreciation has been charged on the grounds it is immaterial. Freehold land is not depreciated.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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 stock to its present location and condition.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided.

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

4. Turnover

Turnover arises from:

	2023	2022 (restated)
	£	£
Sale of goods	150,588	124,565
Rendering of services	6,809,996	6,733,265
	<u>6,960,584</u>	<u>6,857,830</u>

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

5. Operating profit

Operating profit or loss is stated after charging:

	2023	2022 (restated)
	£	£
Depreciation of tangible assets	66,122	36,538
Impairment of trade debtors	<u>3,627</u>	<u>4,363</u>

6. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements	15,000	—

7. Staff costs

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

	2023 No.	2022 No.
Production staff	82	76
Administrative staff	4	4
Management staff	<u>12</u>	<u>12</u>
	<u>98</u>	<u>92</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022 (restated)
	£	£
Wages and salaries	2,675,429	2,363,328
Social security costs	278,804	216,696
Other pension costs	<u>53,887</u>	<u>42,776</u>
	<u>3,008,120</u>	<u>2,622,800</u>

Varian Stable Ltd

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 (restated)
	£	£
Remuneration	<u>24,000</u>	<u>—</u>

9. Other interest receivable and similar income

	2023	2022 (restated)
	£	£
Interest receivable	<u>44</u>	<u>2</u>

10. Interest payable and similar expenses

	2023	2022 (restated)
	£	£
Other interest payable and similar charges	<u>151,527</u>	<u>130,021</u>

11. Tax on profit

Major components of tax expense

	2023	2022 (restated)
	£	£
Current tax:		
UK current tax expense	7,600	70,163
Deferred tax:		
Origination and reversal of timing differences	<u>4,194</u>	<u>15,793</u>
Tax on profit	<u>11,794</u>	<u>85,956</u>

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

11. Tax on profit (continued)

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023	2022 (restated)
	£	£
Profit on ordinary activities before taxation	73,357	346,430
Profit on ordinary activities by rate of tax	13,938	65,822
Effect of expenses not deductible for tax purposes	1,721	–
Effect of different UK tax rates on some earnings	1,007	20,134
Effect of enhanced capital allowances	(4,872)	–
Tax on profit	11,794	85,956

12. Dividends

	2023	2022 (restated)
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	90,000	80,000

13. Intangible assets

Group	Goodwill £
Cost	
At 1 April 2022 (as restated) and 31 March 2023	30,000
Amortisation	
At 1 April 2022 and 31 March 2023	–
Carrying amount	
At 1 April 2022 and 31 March 2023	30,000
At 31 March 2022	30,000

The company has no intangible assets.

Varian Stable Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

14. Tangible assets

Group	Freehold property £	Equipment £	Total £
Cost			
At 1 April 2022 (as restated)	6,014,804	439,039	6,453,843
Additions	–	76,542	76,542
At 31 March 2023	<u>6,014,804</u>	<u>515,581</u>	<u>6,530,385</u>
Depreciation			
At 1 April 2022	–	110,203	110,203
Charge for the year	11,204	54,918	66,122
At 31 March 2023	<u>11,204</u>	<u>165,121</u>	<u>176,325</u>
Carrying amount			
At 31 March 2023	<u>6,003,600</u>	<u>350,460</u>	<u>6,354,060</u>
At 31 March 2022	<u>6,014,804</u>	<u>328,836</u>	<u>6,343,640</u>
Company	Tenanted property improvements £	Equipment £	Total £
Cost			
At 1 April 2022 (as restated)	225,204	439,039	664,243
Additions	–	76,542	76,542
At 31 March 2023	<u>225,204</u>	<u>515,581</u>	<u>740,785</u>
Depreciation			
At 1 April 2022	–	110,203	110,203
Charge for the year	11,204	54,918	66,122
At 31 March 2023	<u>11,204</u>	<u>165,121</u>	<u>176,325</u>
Carrying amount			
At 31 March 2023	<u>214,000</u>	<u>350,460</u>	<u>564,460</u>
At 31 March 2022	<u>225,204</u>	<u>328,836</u>	<u>554,040</u>

15. Investments

The group has no investments.

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

15. Investments (continued)

Company	Shares in group undertakings £
Cost	
At 1 April 2022 as restated and 31 March 2023	<u>31,000</u>
Impairment	
At 1 April 2022 as restated and 31 March 2023	<u>—</u>
Carrying amount	
At 1 April 2022 and 31 March 2023	<u>31,000</u>
At 31 March 2022	<u>31,000</u>

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Varian Property Ltd	Ordinary	100

The subsidiary has their registered office address at Lushington House, 119 High Street, Newmarket, Suffolk, United Kingdom, CB8 9AE.

The nature of the business during the year for Varian Property Limited was that of a property company.

16. Stocks

	Group 2023	2022 (restated)	Company 2023	2022 (restated)
	£	£	£	£
Finished goods and goods for resale	<u>218,350</u>	<u>154,000</u>	<u>218,350</u>	<u>154,000</u>

17. Debtors

	Group 2023	2022 (restated)	Company 2023	2022 (restated)
	£	£	£	£
Trade debtors	928,459	1,035,534	928,459	1,035,534
Amounts owed by group undertakings	—	—	5,740,600	5,788,600
Prepayments and accrued income	89,000	—	89,000	—
	<u>1,017,459</u>	<u>1,035,534</u>	<u>6,758,059</u>	<u>6,824,134</u>

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2023	2022 (restated)
	£	£
Cash at bank and in hand	36,867	54,414
Bank overdrafts	(384,063)	(291,950)
	<u>(347,196)</u>	<u>(237,536)</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022 (restated)	2023	2022 (restated)
	£	£	£	£
Bank loans and overdrafts	559,379	477,935	559,379	477,935
Trade creditors	1,295,176	999,017	1,295,176	999,017
Accruals and deferred income	34,000	—	34,000	—
Corporation tax	—	70,164	—	70,164
Social security and other taxes	202,145	178,507	186,545	178,507
Director loan accounts	280,550	376,720	280,523	376,720
Other creditors	165,141	195,141	165,141	195,141
	<u>2,536,391</u>	<u>2,297,484</u>	<u>2,520,764</u>	<u>2,297,484</u>

Bank loans have been included within the financial statements and split between short and long term liabilities based upon the repayment terms outlined in the existing loan agreements excluding a loan renewal due in July 2024. While a particular loan is due for renewal in July 2024, the directors do not believe reporting the entire remaining loan balance as short term liabilities would reflect the substance of the financing arrangements that note a considerably longer repayment term - well beyond the facility renewal date. The directors have already had positive discussions with the company's bankers in connection with the review and are confident of a renewal of the loan with a similar overall repayment term.

See note 20 for further details of creditors in respect of which security has been given.

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

	Group		Company	
	2023	2022 (restated)	2023	2022 (restated)
	£	£	£	£
Bank loans and overdrafts	<u>2,831,205</u>	<u>3,006,721</u>	<u>2,831,205</u>	<u>3,006,721</u>

Included within creditors: amounts falling due after more than one year is an amount of £2,026,303 (2022: £2,244,483) for the group and £2,026,303 (2022: £2,244,483) for the company in respect of liabilities payable or repayable by instalments which fall due for payment after more than five years from the reporting date.

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

The bank loans are secured by fixed and floating charges over the assets of the group and are repayable by instalments.

Included in bank loans is:

a fixed rate loan, maturing in 2029, with monthly loan repayments of £11,002, inclusive of interest being charged at 3.85%.

a variable rate loan, maturing in 2024, with monthly loan repayments of £12,961, inclusive of interest being charged at 2.95% over base rate.

a variable rate loan, maturing in 2035, with monthly loan repayments of £4,353, inclusive of interest being charged at 2.95% over base rate.

21. Provisions

Group and company	Deferred tax (note 22) £
At 1 April 2022 (as restated)	83,898
Additions	4,194
At 31 March 2023	<u>88,092</u>

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	Group		Company	
	2023	2022 (restated)	2023	2022 (restated)
	£	£	£	£
Included in provisions (note 21)	<u>88,092</u>	<u>83,898</u>	<u>88,092</u>	<u>83,898</u>

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

	Group		Company	
	2023	2022 (restated)	2023	2022 (restated)
	£	£	£	£
Accelerated capital allowances	88,192	83,898	88,192	83,898
Unused tax losses	(100)	—	(100)	—
	<u>88,092</u>	<u>83,898</u>	<u>88,092</u>	<u>83,898</u>

23. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £53,887 (2022: £42,776).

Contributions to defined contribution plans are recognised as an expenses in the period in which the related service is provided.

Varian Stable Ltd

Notes to the Financial Statements (continued)

Year ended 31 March 2023

24. Prior year restatement

During the compilation of the financial statements the following prior period adjustments have been made:

In the consolidated and individual statement of financial position, bank loans amounting to £3,006,721 have been reclassified from short to long term loans.

In the individual company statement of financial position, the amounts owed by group undertakings and related bank loans have both increased by £3,196,702 to separately disclose balances that had previously been offset.

Neither of the above adjustments have had any impact on profit or net assets in the consolidated or individual company financial information.

A further adjustment has been made in respect of deferred tax. In prior years deferred taxation has been omitted from the annual financial statements. A prior year adjustment has been made to incorporate the deferred tax provision, at 1 April 2021, amounting to £68,105. The movement in the deferred tax provision, for the year ended 31 March 2022, has been included in the comparative information. This has resulted in an increase in the tax on profit value of £15,793 within the individual and consolidated statement of income and the same increase in the deferred tax provision as noted in the statement of financial position.

25. Called up share capital

Issued, called up and fully paid

	2023		2022 (restated)	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

26. Analysis of changes in net debt

	At 1 Apr 2022	Cash flows	Other changes	At 31 Mar 2023
	£	£	£	£
Cash at bank and in hand	54,414	(17,547)	–	36,867
Bank overdrafts	(291,950)	(92,113)	–	(384,063)
Debt due within one year	(562,705)	282,355	(175,516)	(455,866)
Debt due after one year	<u>(3,006,721)</u>	<u>–</u>	<u>175,516</u>	<u>(2,831,205)</u>
	<u>(3,806,962)</u>	<u>172,695</u>	<u>–</u>	<u>(3,634,267)</u>

Varian Stable Ltd

Notes to the Financial Statements *(continued)*

Year ended 31 March 2023

27. Related party transactions

Company

During the year the company entered into transactions with related parties. Transactions entered into and balances outstanding at the year end are as follows:

Other related parties

	2023	2022
	£	£
Advances	–	33,725
Repayments	30,000	–
Balances owed to	165,141	195,141

Other related parties consist of entities with common directors.