

REGISTERED NUMBER: 10467347 (England and Wales)

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
METRO GOLD LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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METRO GOLD LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS: T P Eastwood
P T Murray
M J Murray
Mrs K J Murray
Mrs G L Robertson
Mrs C Eastwood

SECRETARY: Ms S C Coatham

REGISTERED OFFICE: Wide Lane
Southampton
Hampshire
SO18 2FA

REGISTERED NUMBER: 10467347 (England and Wales)

AUDITORS: Rothmans Audit LLP
Chartered Accountants & Statutory Auditors
Avebury House
St Peter Street
Winchester
Hampshire
SO23 8BN

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report of the company and the group for the year ended 31 December 2021.

REVIEW OF BUSINESS

The principal activity of the group continued to be that of a supplier of brands of health, beauty and nursery products to the retail wholesale and online channels. Sales are made predominantly in the United Kingdom and Ireland.

In the year, the group achieved sales of £25,057,589 (2020: £20,890,200) an increase of 19.9% on the previous year.

The directors continue to adopt a going concern basis in preparing the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors of Paul Murray plc continue to seek to expand the company's product range and customer base to ensure the company remains in a strong position to capitalise on its investment in the business operational framework, to take advantage of market improvements and to withstand any external economic pressures. The impact of Great Britain leaving the European Union on the company's performance is still being monitored but the directors made suitable plans to deal with the implications of this change and there has not been a significant impact on the company or the group. This included the establishment of Murrays Health and Beauty Limited, as a subsidiary of Paul Murray plc, which is registered in Ireland.

KEY PERFORMANCE INDICATORS

The key financial highlights of the group's activities are:

	2021 £	2020 £	2019 £	2018 £	2017 £		
Turnover reported in the financial statements			25,057,589	20,890,200	18,263,319	17,011,771	6,248,147
Turnover including agency sales			30,140,588	39,522,931	32,591,016	26,544,809	8,896,374
Gross profit margin			32.0%	40.5%	39.4%	38.8%	34.8%
Profit before tax			1,579,099	1,844,518	1,186,547	1,045,456	214,875

OTHER PERFORMANCE INDICATORS

The group's ongoing strategies are to improve turnover and to protect and increase its share of the market whilst protecting margins. The directors consider that they have achieved this in 2021 and expect that the group will continue to grow in 2022 and future years.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The group's principal financial instruments comprise bank balances, bank overdrafts, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for, and finance, the company's operations.

Due to the nature of the financial instruments used by the group there is no exposure to price risk. The group's approach to managing other risks, applicable to the financial statements concerned, is shown below:

In respect of bank balances the liquidity risk is managed by maintaining a balance between long term loans and the use of overdrafts at floating rates of interest.

Trade debtors are managed, in respect of credit and cash flow risk, by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

POLICY ON THE PAYMENT OF CREDITORS

Payment is generally made by the group to its creditors in accordance with agreed terms of business. It is the policy of the group that all invoices issued by suppliers are paid within 30 days following the end of the month in which the invoices are received. In the case of certain overseas suppliers, the terms of business with the company are such that payments may be made at an earlier time.

ON BEHALF OF THE BOARD:

P T Murray - Director

12 September 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2021.

DIVIDENDS

During the year dividends of £392,020 (2020: £333,475) were declared by the company.

FUTURE DEVELOPMENTS

The group has had marked success over the last few years in distributing UK branded goods to its customers. It is expected that there will be further developments in 2022. Turnover increased significantly in 2021. The group continues to increase the distribution of its own brands, which contribute significantly to the company's profitability, and to developing own label brands with customers.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

T P Eastwood
P T Murray
M J Murray
Mrs K J Murray
Mrs G L Robertson
Mrs C Eastwood

DISCLOSURE IN THE STRATEGIC REPORT

In accordance with the Companies Act 2006, s414C(11), information in respect of business activities and risk are shown within the Strategic Report.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of 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 judgements 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Rothmans Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P T Murray - Director

12 September 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF METRO GOLD LIMITED

Opinion

We have audited the financial statements of Metro Gold Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and Notes to the Consolidated Statement of Cash Flows, 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 Financial Reporting Standard 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 affairs as at 31 December 2021 and of the group's 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 Auditors' 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 and 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF METRO GOLD LIMITED

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Directors.

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 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, 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 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.

Auditors' 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 a Report of the Auditors 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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are to identify and assess the risks of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF METRO GOLD LIMITED

In identifying and assessing risk of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures include the following:

- 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 obtained an understanding of the legal and regulatory frameworks that are applicable to the company and the group and those laws and regulations that had a direct effect on the financial statements. The key laws considered are FRS102 and the Companies Act 2006.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence. The 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.

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 during the year and at the year-end to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias;
- 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;
- reviewing legal and professional expenditure incurred in the year.

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.

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 Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
METRO GOLD LIMITED**

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 a Report of the Auditors 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.

Susan Sullivan FCA (Senior Statutory Auditor)
for and on behalf of Rothmans Audit LLP
Chartered Accountants & Statutory Auditors
Avebury House
St Peter Street
Winchester
Hampshire
SO23 8BN

22 September 2022

**CONSOLIDATED
STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
TURNOVER	3	25,057,589		20,890,200	
Cost of sales		<u>17,030,194</u>		<u>12,427,017</u>	
GROSS PROFIT		8,027,395		8,463,183	
Distribution costs		3,690,451		3,983,907	
Administrative expenses		<u>2,695,275</u>		<u>2,644,449</u>	
		6,385,726		6,628,356	
		<u>1,641,669</u>		<u>1,834,827</u>	
Other operating income		(11,191)		79,562	
OPERATING PROFIT	6	<u>1,630,478</u>		<u>1,914,389</u>	
Interest payable and similar expenses	8	51,379		69,871	
PROFIT BEFORE TAXATION		<u>1,579,099</u>		<u>1,844,518</u>	
Tax on profit	9	328,953		377,648	
PROFIT FOR THE FINANCIAL YEAR		<u>1,250,146</u>		<u>1,466,870</u>	
OTHER COMPREHENSIVE INCOME					
Currency translation differences		(4,498)		-	
Income tax relating to other comprehensive income		-		-	
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>(4,498)</u>		<u>-</u>	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,245,648</u>		<u>1,466,870</u>	
Profit attributable to:					
Owners of the parent		1,109,411		1,301,888	
Non-controlling interests		<u>140,735</u>		<u>164,982</u>	
		<u>1,250,146</u>		<u>1,466,870</u>	
Total comprehensive income attributable to:					
Owners of the parent		1,104,913		1,301,888	
Non-controlling interests		<u>140,735</u>		<u>164,982</u>	
		<u>1,245,648</u>		<u>1,466,870</u>	

The notes form part of these financial statements

METRO GOLD LIMITED (REGISTERED NUMBER: 10467347)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	12	2,535,151	2,657,820
Tangible assets	13	846,030	751,768
Investments	14	<u>-</u>	<u>-</u>
		<u>3,381,181</u>	<u>3,409,588</u>
CURRENT ASSETS			
Stocks	15	5,565,106	5,072,308
Debtors	16	4,161,355	2,773,284
Cash at bank and in hand		<u>258,920</u>	<u>1,547,137</u>
		<u>9,985,381</u>	<u>9,392,729</u>
CREDITORS			
Amounts falling due within one year	17	<u>5,225,998</u>	<u>4,941,065</u>
NET CURRENT ASSETS		<u>4,759,383</u>	<u>4,451,664</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,140,564</u>	<u>7,861,252</u>
CREDITORS			
Amounts falling due after more than one year	18	(1,164,037)	(1,743,040)
PROVISIONS FOR LIABILITIES	23	<u>(79,966)</u>	<u>(75,279)</u>
NET ASSETS		<u><u>6,896,561</u></u>	<u><u>6,042,933</u></u>
CAPITAL AND RESERVES			
Called up share capital	24	420,000	420,000
Share premium	25	2,937,002	2,937,002
Retained earnings	25	<u>2,535,033</u>	<u>1,822,140</u>
		<u>5,892,035</u>	<u>5,179,142</u>
NON-CONTROLLING INTERESTS	26	<u>1,004,526</u>	<u>863,791</u>
TOTAL EQUITY		<u><u>6,896,561</u></u>	<u><u>6,042,933</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 12 September 2022 and were signed on its behalf by:

P T Murray - Director

The notes form part of these financial statements

COMPANY STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	12		-		-
Tangible assets	13		-		-
Investments	14		7,200,000		7,200,000
			<u>7,200,000</u>		<u>7,200,000</u>
CURRENT ASSETS					
Cash at bank and in hand		2,174		2,753	
CREDITORS					
Amounts falling due within one year	17	<u>550,963</u>		<u>542,524</u>	
NET CURRENT LIABILITIES			<u>(548,789)</u>		<u>(539,771)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			6,651,211		6,660,229
CREDITORS					
Amounts falling due after more than one year	18		1,164,037		1,743,040
NET ASSETS			<u>5,487,174</u>		<u>4,917,189</u>
CAPITAL AND RESERVES					
Called up share capital	24		420,000		420,000
Share premium	25		2,937,002		2,937,002
Retained earnings	25		<u>2,130,172</u>		<u>1,560,187</u>
			<u>5,487,174</u>		<u>4,917,189</u>
Company's profit for the financial year			<u>962,005</u>		<u>830,269</u>

The financial statements were approved by the Board of Directors and authorised for issue on 12 September 2022 and were signed on its behalf by:

P T Murray - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2020	420,000	853,727	2,937,002
Changes in equity			
Profit for the year	-	1,301,888	-
Total comprehensive income	-	1,301,888	-
Dividends	-	(333,475)	-
Balance at 31 December 2020	420,000	1,822,140	2,937,002
Changes in equity			
Profit for the year	-	1,109,411	-
Other comprehensive income	-	(4,498)	-
Total comprehensive income	-	1,104,913	-
Dividends	-	(392,020)	-
Balance at 31 December 2021	420,000	2,535,033	2,937,002
	Total £	Non-controlling interests £	Total equity £
Balance at 1 January 2020	4,210,729	698,809	4,909,538
Changes in equity			
Profit for the year	1,301,888	164,982	1,466,870
Total comprehensive income	1,301,888	164,982	1,466,870
Dividends	(333,475)	-	(333,475)
Balance at 31 December 2020	5,179,142	863,791	6,042,933
Changes in equity			
Profit for the year	1,109,411	140,735	1,250,146
Other comprehensive income	(4,498)	-	(4,498)
Total comprehensive income	1,104,913	140,735	1,245,648
Dividends	(392,020)	-	(392,020)
Balance at 31 December 2021	5,892,035	1,004,526	6,896,561

The notes form part of these financial statements

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2020	420,000	1,063,393	2,937,002	4,420,395
Changes in equity				
Profit for the year	-	830,269	-	830,269
Total comprehensive income	-	830,269	-	830,269
Dividends	-	(333,475)	-	(333,475)
Balance at 31 December 2020	420,000	1,560,187	2,937,002	4,917,189
Changes in equity				
Profit for the year	-	962,005	-	962,005
Total comprehensive income	-	962,005	-	962,005
Dividends	-	(392,020)	-	(392,020)
Balance at 31 December 2021	420,000	2,130,172	2,937,002	5,487,174

The notes form part of these financial statements

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	(434,459)	2,627,765
Interest paid		(51,379)	(69,871)
Tax paid		(287,517)	(266,156)
Net cash from operating activities		<u>(773,355)</u>	<u>2,291,738</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(258,708)	(132,010)
Net cash from investing activities		<u>(258,708)</u>	<u>(132,010)</u>
Cash flows from financing activities			
Loan repayments in year		(579,003)	(500,000)
Equity dividends paid		(392,020)	(333,475)
Net cash from financing activities		<u>(971,023)</u>	<u>(833,475)</u>
(Decrease)/increase in cash and cash equivalents		<u>(2,003,086)</u>	<u>1,326,253</u>
Cash and cash equivalents at beginning of year	2	1,424,329	98,076
Cash and cash equivalents at end of year	2	<u>(578,757)</u>	<u>1,424,329</u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£	£
Profit before taxation	1,579,099	1,844,518
Depreciation charges	287,115	266,106
Currency translation variances	(4,498)	-
Finance costs	51,379	69,871
	<u>1,913,095</u>	<u>2,180,495</u>
Increase in stocks	(492,798)	(1,121,011)
(Increase)/decrease in trade and other debtors	(1,388,071)	673,515
(Decrease)/increase in trade and other creditors	(466,685)	894,766
Cash generated from operations	<u>(434,459)</u>	<u>2,627,765</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	258,920	1,547,137
Bank overdrafts	(837,677)	(122,808)
	<u>(578,757)</u>	<u>1,424,329</u>

Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	1,547,137	1,449,028
Bank overdrafts	(122,808)	(1,350,952)
	<u>1,424,329</u>	<u>98,076</u>

**NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank and in hand	1,547,137	(1,288,217)	258,920
Bank overdrafts	<u>(122,808)</u>	<u>(714,869)</u>	<u>(837,677)</u>
	<u>1,424,329</u>	<u>(2,003,086)</u>	<u>(578,757)</u>
Debt			
Debts falling due within 1 year	(500,000)	-	(500,000)
Debts falling due after 1 year	<u>(1,743,040)</u>	<u>579,003</u>	<u>(1,164,037)</u>
	<u>(2,243,040)</u>	<u>579,003</u>	<u>(1,664,037)</u>
Total	<u><u>(818,711)</u></u>	<u><u>(1,424,083)</u></u>	<u><u>(2,242,794)</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. **STATUTORY INFORMATION**

Metro Gold Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable to the UK and Republic of Ireland" ("FRS102") and the requirements of the Companies Act 2006 and under the historical cost convention and in accordance with applicable accounting standards.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Basis of consolidation

The group financial statements consolidate the financial statements of Metro Gold Limited and all its subsidiary undertaking drawn up to 31 December each year. No profit and loss account is presented for Metro Gold Group Limited as permitted by section 408 of the Companies Act 2006.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control is the power to govern the financial and operating policies of the investee so as to obtain benefits from its activities.

Paul Murray PLC is a subsidiary of Metro Gold Limited, which holds 90% of the company's issued share capital. Murrays Health & Beauty Europe Limited is a subsidiary of Paul Murray PLC, which holds 100% of the company's issued share capital.

Paul Murray PLC and Murrays Health and Beauty Europe Limited have been included in the group financial statements using the purchase method of accounting. Accordingly, the group profit and loss account and statement of cash flows include the results and cash flows of these companies for the year. The purchase consideration was allocated to the assets and liabilities on the basis of fair value at the date of acquisition.

In the parent company financial statements investments in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. **ACCOUNTING POLICIES - continued**

Significant judgements and estimates

In the application of the group's accounting policies, the directors are required to make judgements estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The accounting policies requiring the most judgement within the financial statements are those relating to stock valuation and accounting for sales and purchases under agency agreements.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both the current and future periods.

Turnover

All Turnover included in the Group accounts arises from the activity of the subsidiary Paul Murray PLC.

Turnover is recognised at the fair value of the consideration received or receivable for sale of goods and services to external customers for the sale of non-pharmaceutical products, surgical goods, cosmetics, fragrances, and toiletries in the ordinary nature of the business. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. Turnover is shown net of Value Added Tax.

Paul Murray PLC has entered into agreements with some of its supplier to act as their agent in the supply of their goods. Commission is receivable in respect of sales made under agency agreements and is recognised within turnover shown in the profit and loss account. Revenue is recognised at the point of dispatch of the product.

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

Goodwill

Goodwill arising from the acquisition of Paul Murray PLC is capitalised and written off evenly over 25 years as in the opinion of the directors, this represents the period over which the goodwill is expected to give rise to economic benefits.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost, being purchase price together with any incidental costs of acquisition, less accumulated depreciation. Depreciation is calculated so as to write off the cost or revaluation of an asset, net of anticipated disposal proceeds, over the useful economic life of that asset as follows:

Tenants improvements	straight line over 15 years
Fixtures and fittings	25% reducing balance and straight line over 3 or 15 years
Equipment	25% straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. **ACCOUNTING POLICIES - continued**

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost basis and provision is made for obsolete and slow moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

Pension costs and other post-retirement benefits

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year in accordance with the rules of the fund. The assets of the scheme are held separately from these of the group in an independently administered fund.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. **ACCOUNTING POLICIES - continued**

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amount presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued**Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, bank borrowings, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Other financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity Instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Employee benefits

The costs of employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2021	2020
	£	£
Sale of goods	22,422,074	17,431,940
Commission receipts	2,635,515	3,458,260
	<u>25,057,589</u>	<u>20,890,200</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. TURNOVER - continued

An analysis of turnover by geographical market is given below:

	2021 £	2020 £
United Kingdom	24,210,349	20,049,948
Europe	663,480	734,255
Rest of the World	183,760	105,997
	<u>25,057,589</u>	<u>20,890,200</u>

4. EMPLOYEES AND DIRECTORS**Group**

	2021 £	2020 £
Wages and salaries	3,655,911	3,760,792
Social security costs	408,189	411,990
Other pension costs	119,604	116,211
	<u>4,183,704</u>	<u>4,288,993</u>

The average number of employees during the period was:

	2021	2020
Operations	79	79
Administrative	23	23
Directors	6	6
	<u>108</u>	<u>108</u>

Company

The company had no staff costs for the period ended 31 December 2021 (2020:Nil). The average number of employees during the period was Nil (2020:Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

5. DIRECTORS' EMOLUMENTS**Group**

	2021	2020
£	£	
Directors' remuneration for qualifying services	381,980	357,756
Directors' pension contributions to money purchase schemes	<u>8,241</u>	<u>7,321</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2021	2020
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2021	2020
£	£	
Director's remuneration for qualifying services	127,243	137,520
Director's pension contributions to money purchase schemes	<u>6,139</u>	<u>6,096</u>

Company

	2021	2020
£	£	
Directors' remuneration for qualifying services	-	-
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>-</u>

6. OPERATING PROFIT

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

	2021	2020
£	£	
Other operating leases	432,473	432,651
Depreciation - owned assets	164,446	143,438
Goodwill amortisation	122,669	122,668
Foreign exchange differences	11,191	(72,257)
Vehicle leasing	<u>169,888</u>	<u>182,363</u>

7. AUDITORS' REMUNERATION

	2021	2020
£	£	
Fees payable to the company's auditors for the audit of the company's financial statements	26,307	13,520
Auditors' remuneration for non audit work	<u>7,550</u>	<u>2,168</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank loan interest	8,517	12,797
Loan note interest	<u>42,862</u>	<u>57,074</u>
	<u>51,379</u>	<u>69,871</u>

All interest payable relates to financial liabilities measured at amortised cost.

9. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	324,266	362,009
Deferred tax	<u>4,687</u>	<u>15,639</u>
Tax on profit	<u>328,953</u>	<u>377,648</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£	£
Profit before tax	<u>1,579,099</u>	<u>1,844,518</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	300,029	350,458
Effects of:		
Expenses not deductible for tax purposes	28,719	27,190
Adjustments to tax charge in respect of previous periods acquired from subsidiary rate	205	-
Total tax charge	<u>328,953</u>	<u>377,648</u>

Tax effects relating to effects of other comprehensive income

	Gross	2021	Net
	£	Tax	£
Currency translation differences	<u>(4,498)</u>	<u>-</u>	<u>(4,498)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

11. DIVIDENDS

During the period dividends of £392,020 (2020: £333,475) were paid by the company.

12. INTANGIBLE FIXED ASSETS**Group**

Goodwill
£

COST

At 1 January 2021
and 31 December 2021

3,066,715

AMORTISATION

At 1 January 2021

408,895

Amortisation for year

122,669

At 31 December 2021

531,564

NET BOOK VALUE

At 31 December 2021

2,535,151

At 31 December 2020

2,657,820

13. TANGIBLE FIXED ASSETS**Group**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 January 2021	327,292	619,002	21,200	229,543	1,197,037
Additions	161,804	21,662	-	75,242	258,708
Disposals	-	(61,887)	-	-	(61,887)
At 31 December 2021	<u>489,096</u>	<u>578,777</u>	<u>21,200</u>	<u>304,785</u>	<u>1,393,858</u>
DEPRECIATION					
At 1 January 2021	58,429	240,492	20,183	126,165	445,269
Charge for year	31,584	75,853	254	56,755	164,446
Eliminated on disposal	-	(61,887)	-	-	(61,887)
At 31 December 2021	<u>90,013</u>	<u>254,458</u>	<u>20,437</u>	<u>182,920</u>	<u>547,828</u>
NET BOOK VALUE					
At 31 December 2021	<u>399,083</u>	<u>324,319</u>	<u>763</u>	<u>121,865</u>	<u>846,030</u>
At 31 December 2020	<u>268,863</u>	<u>378,510</u>	<u>1,017</u>	<u>103,378</u>	<u>751,768</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

14. FIXED ASSET INVESTMENTS

Company

Shares in
group
undertaking
£**COST**At 1 January 2021
and 31 December 20217,200,000**NET BOOK VALUE**At 31 December 2021
At 31 December 20207,200,0007,200,000

The group or the company's investments at the Statement of Financial Position date in the share capital of companies include the following:

Subsidiaries**Paul Murray PLC**

Registered office: Wide Lane, Southampton, Hampshire, SO18 2FA
Nature of business: Wholesaling of health and beauty products

	%
Class of shares:	holding
A Ordinary	100.00

	2021	2020
	£	£
Aggregate capital and reserves	6,061,387	5,667,925
Profit for the year	<u>1,407,347</u>	<u>1,649,820</u>

Murrays Health & Beauty Europe Limited

Registered office: 38 Upper Mount Street, Dublin 2, Dublin D02 PR89, Ireland
Nature of business: Wholesaling of health and beauty products

	%
Class of shares:	holding
€1 Ordinary Shares	100.00

	2021
	£
Aggregate capital and reserves	13,066
Profit for the year	<u>13,066</u>

On 31 March 2021 the Group acquired 100% of the issued share capital in Murray's Health & Beauty Europe Limited, a newly incorporated Irish subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

15. STOCKS

	Group	
	2021	2020
	£	£
Finished goods	<u>5,565,106</u>	<u>5,072,308</u>

The total value of stock written off in the period is £136,172 (2020: £4,990)

There is no material difference between the replacement cost of stocks and the amounts stated above.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2021	2020
	£	£
Trade debtors	3,530,582	2,387,172
Amounts owed by participating interests	475	475
Other debtors	92,134	1
Prepayments and accrued income	<u>538,164</u>	<u>385,636</u>
	<u>4,161,355</u>	<u>2,773,284</u>

The total value of debtors written off in the year is £5,276 (2020: £12,561).

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts (see note 19)	837,677	122,808	-	-
Other loans (see note 19)	500,000	500,000	500,000	500,000
Trade creditors	2,373,518	2,418,694	-	-
Amounts owed to group undertakings	-	-	39,825	36,855
Corporation tax	177,653	140,904	-	-
Social security and other taxes	101,760	107,370	1,928	2,490
VAT	461,734	299,615	-	-
Accruals and deferred income	<u>773,656</u>	<u>1,351,674</u>	<u>9,210</u>	<u>3,179</u>
	<u>5,225,998</u>	<u>4,941,065</u>	<u>550,963</u>	<u>542,524</u>

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Other loans (see note 19)	<u>1,164,037</u>	<u>1,743,040</u>	<u>1,164,037</u>	<u>1,743,040</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

19. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	837,677	122,808	-	-
Other loans	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
	<u>1,337,677</u>	<u>622,808</u>	<u>500,000</u>	<u>500,000</u>
Amounts falling due between one and two years:				
Other loans - 1-2 years	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Amounts falling due between two and five years:				
Other loans - 2-5 years	<u>664,037</u>	<u>1,243,040</u>	<u>664,037</u>	<u>1,243,040</u>

Loan Notes of £3,743,040 were issued on 31 August 2017 to P Murray & K Murray.

These Loan Notes are due for repayment in seven annual instalments of £500,000 payable on each anniversary of the issue of the loan notes and one final instalment of £243,040 payable on the eighth anniversary of the issue of the Loan Notes.

Interest is due at a rate of 2% per annum above the published base rate of Barclays Bank PLC.

20. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Non-cancellable	operating leases
	2021	2020
	£	£
Within one year	580,650	628,715
Between one and five years	1,797,156	1,913,444
In more than five years	<u>2,522,761</u>	<u>2,955,235</u>
	<u>4,900,567</u>	<u>5,497,394</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

21. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Bank overdrafts	<u>837,677</u>	<u>122,808</u>

The bank overdrafts of Metro Gold Limited and its subsidiary, Paul Murray PLC, are secured by a cross-guarantee and debenture provided jointly by Metro Gold Limited and Paul Murray PLC which includes a fixed and floating charge over all of the assets of each company.

22. FINANCIAL INSTRUMENTS

The Group financial statements include the following financial instruments:

Financial Assets measured at amortised cost

	2021	2020
	£	£
Trade Debtors	3,530,582	2,387,172
Cash at Bank & Hand	258,920	1,547,137
Loans to Related Companies	475	475
	<u>3,789,977</u>	<u>3,934,784</u>

Financial Liabilities measured at amortised cost

	2021	2020
	£	£
Bank Loans and Overdrafts	837,677	122,808
Trade Creditors	2,373,518	2,418,694
Loan Notes	1,664,037	2,243,040
	<u>4,875,232</u>	<u>4,784,542</u>

The Company financial statements include the following financial instruments:

Financial Assets measured at amortised cost

	2021	2020
	£	£
Cash at Bank & Hand	2,174	2,753
	<u>2,174</u>	<u>2,753</u>

Financial Liabilities measured at amortised cost

	2021	2020
	£	£
Amounts owed to Group Undertakings	39,825	36,855
Loan Notes	1,664,037	2,243,040
	<u>1,703,862</u>	<u>2,279,895</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

23. PROVISIONS FOR LIABILITIES

	Group	
	2021	2020
	£	£
Deferred tax	<u>79,966</u>	<u>75,279</u>
Group		
		Deferred tax
		£
Balance at 1 January 2021		75,279
Provided during year		<u>4,687</u>
Balance at 31 December 2021		<u>79,966</u>

Deferred tax assets and liabilities are offset where the group has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (including offsets) for financial reporting purposes.

	2021	2020
	£	£
Accelerated capital allowances	86,104	81,671
Short-term timing differences	<u>(6,138)</u>	<u>(6,392)</u>
	<u>79,966</u>	<u>75,279</u>

24. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Class	No. of Shares	Nominal Value	2021	2020
			£	£
A Ordinary	42,000	£1	42,000	42,000
B Ordinary	42,000	£1	42,000	42,000
C Ordinary	336,000	£1	<u>336,000</u>	<u>336,000</u>
			<u>420,000</u>	<u>420,000</u>

Each share is entitled to one vote in any circumstance. All classes of shares rank equally on a winding up of the company. Dividends on each class of share are voted separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

25. RESERVES**Group**

	Retained earnings £	Share premium £	Totals £
At 1 January 2021	1,822,140	2,937,002	4,759,142
Profit for the year	1,109,411		1,109,411
Dividends	(392,020)		(392,020)
Transfer	(4,498)	-	(4,498)
At 31 December 2021	<u>2,535,033</u>	<u>2,937,002</u>	<u>5,472,035</u>

Company

	Retained earnings £	Share premium £	Totals £
At 1 January 2021	1,560,187	2,937,002	4,497,189
Profit for the year	962,005		962,005
Dividends	(392,020)		(392,020)
At 31 December 2021	<u>2,130,172</u>	<u>2,937,002</u>	<u>5,067,174</u>

26. NON-CONTROLLING INTERESTS

Newbarn Compton Limited holds a 10% interest in the issued share capital of Paul Murray PLC.

27. PENSION COMMITMENTS

The group operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £119,604 (2020: £116,211).

Contributions of £32,303 (2020: £33,643) were outstanding at the year end and are included within accruals.

The company does not operate a pension scheme.

28. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

Entities over which the entity has control, joint control or significant influence

During the period, the subsidiary company Paul Murray PLC paid expenses on behalf of Metro Gold Limited which totalled £2,970. The outstanding balance at the year end was £39,825 (2020: £36,855) and is included in amounts owed to group undertakings in the company accounts. This loan is interest free and repayable on demand.

During the period dividends of £1,013,885 (2020: £890,553) were paid by Paul Murray PLC to Metro Gold Limited.

Other related parties

Newbarn Compton Limited holds 10% of the issued share capital in Paul Murray PLC. The outstanding loan balance at the year end was £475 (2020: £475) and is included in amounts owed by group undertakings. This balance is interest free and repayable on demand.

On 31 August 2017 Loan Notes of £3,743,040 were issued by Metro Gold Limited in favour of the directors P Murray and K Murray. These loan notes are due to be repaid in 8 annual instalments as set out in Note 20. Interest is payable on these loan notes at 2% above the Barclays base rate and during the period £42,862 (2020: £57,074) of interest was paid to P Murray and K Murray.

The remuneration of key management personnel, who are also directors, is as follows:

		2020	2019
£	£		
Aggregate compensation		<u>432,975</u>	<u>404,506</u>

29. POST BALANCE SHEET EVENTS

Since the year-end the company has declared dividends of £196,010

30. ULTIMATE CONTROLLING PARTY

The group and company are ultimately controlled by M J Murray, C A Eastwood and G L Robertson, directors of the company, by virtue of their majority shareholdings in Metro Gold Limited.

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.