

Registered number: 12268335

Gemporia Craft Limited
(formerly JewelleryMaker Limited)

Directors' Report and Financial Statements

For the Year Ended 31 March 2021

DAINS
ACCOUNTANTS



Gemporia Craft Limited

Company Information

Directors

J R Bennett
P M Bennett (appointed 3 July 2020)
S C Bennett
R Fudger
M Jackson (resigned 1 April 2021)
N Garratt (appointed 1 April 2021)

Registered number

12268335

Registered office

Eagle Road Studios
Unit 2D Eagle Road
Moons Moat North Industrial Estate
Redditch
Worcestershire
B98 9HF

Independent auditors

Dains LLP
15 Colmore Row
Birmingham
B3 2BH

Gemporia Craft Limited

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Introduction

The Company was incorporated on 17 October 2019 and began trading on 22 January 2020 as JewelleryMaker Limited. On 16 March 2021 the Company changed its name to Gemporia Craft Limited.

The principal activity of the Company is the operation of TV and Ecommerce business supplying the home craft market, specialising in jewellery making kits and haberdashery products.

The Company runs its own broadcasting facilities and warehouse in the heart of the UK. Its customers are also able to call a UK call centre operated by Gemporia Limited.

The employees, via an Employee Ownership Trust have a majority shareholding in the ultimate parent undertaking of this Company.

The objective of the Company is to maximise returns for the shareholders by providing jewellery making kits and other products at exceptional value.

Key to this objective is the direct sourcing and close working relationships it maintains with its suppliers.

Business review

The performance achieved during the year is set out in the profit and loss account on page 9.

At 31 March 2021, the Company had net assets of £945,594 (2020 - £271,797).

March 2020 saw the onset of the Covid-19 pandemic and our business was faced with unprecedented challenges.

Our first priority was the safety of our employees and their families and we put in place a number of measures and processes to protect them.

We also took actions to secure the business for the short and medium term.

In this most challenging of years, the Directors are particularly grateful for the adaptability and resilience of our team, which we believe to be a testament to the virtues of employee ownership. We are also grateful for the hard work and dedication of our supplier, as well as the loyalty and patience of our customers.

The business monitors a wide range of key performance indicators to optimise performance.

Principal risks and uncertainties

The Company's activities expose it to financial risks including cash flow and liquidity risk.

Cash flow and liquidity risk

The Company carefully monitors its cash flow and ensures that investment opportunities are held within liquidity parameters.

Gemporia Craft Limited

**Strategic Report (continued)
For the Year Ended 31 March 2021**

Financial key performance indicators

The Directors are aware that owing to the retailing nature of the business the principal risks are due to changes in customer buying habits.

A number of key performance indicators are monitored that help to identify changes in customer trends; these would include sales call volumes, new customer numbers and sales turnover. The business has an ability to react quickly to changes in these key performance indicators to minimise the risk to the Company.

The Company has controls to monitor stocks and other operational aspects of the business to ensure that it meets its regulatory requirements.

This report was approved by the board on 14 October 2021 and signed on its behalf.



**R Fudger
Director**

**Directors' Report
For the Year Ended 31 March 2021**

The directors present their report and the financial statements for the year ended 31 March 2021.

Directors

The directors who served during the year were:

J R Bennett
P M Bennett (appointed 3 July 2020)
S C Bennett
R Fudger
M Jackson (resigned 1 April 2021)
N Garratt (appointed 1 April 2021)

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

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

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

Gemporia Craft Limited

**Directors' Report (continued)
For the Year Ended 31 March 2021**

Auditors

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

This report was approved by the board on 14 October 2021 and signed on its behalf.

A handwritten signature in black ink, appearing to read 'R Fudger', is positioned above the printed name and title.

**R Fudger
Director**

Independent Auditors' Report to the Members of Gemporia Craft Limited

Opinion

We have audited the financial statements of Gemporia Craft Limited (the 'Company') for the year ended 31 March 2021, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 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 Company's affairs as at 31 March 2021 and of its profit or loss 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of Gemporia Craft Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report 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 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and 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 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Gemporia Craft Limited (continued)

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 an Auditors' 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 senior statutory auditor 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 retail sector;
- 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 financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and 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.

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 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, relevant regulators and the company's legal advisors.

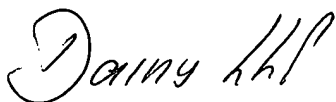
Auditors' responsibilities for the audit of the financial statements (continued)

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

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 Auditors' 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Morris FCA (Senior Statutory Auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

14 October 2021

Gemporia Craft Limited

**Statement of Comprehensive Income
For the Year Ended 31 March 2021**

		Year ended 31 March 2021 £	Period ended 31 March 2020 £
	Note		
Turnover	3	19,223,513	2,678,279
Cost of sales		(8,978,488)	(723,777)
Gross profit		10,245,025	1,954,502
Administrative expenses		(9,509,918)	(1,612,307)
Other operating income	4	96,929	-
Operating profit		832,036	342,195
Tax on profit	6	(158,239)	(70,498)
Profit for the financial year		673,797	271,697
Total comprehensive income for the year		673,797	271,697

The notes on pages 12 to 24 form part of these financial statements.

Gemporia Craft Limited
Registered number:12268335

Balance Sheet
As at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	7	(142,866)	(1,695,962)
Tangible assets	8	112,725	39,875
		<u>(30,141)</u>	<u>(1,656,087)</u>
Current assets			
Stocks	9	5,456,872	2,862,663
Debtors: amounts falling due within one year	10	802,419	1,125,010
Cash at bank and in hand	11	237,203	130,982
		<u>6,496,494</u>	<u>4,118,655</u>
Creditors: amounts falling due within one year	12	(5,501,759)	(2,186,771)
Net current assets		<u>994,735</u>	<u>1,931,884</u>
Total assets less current liabilities		<u>964,594</u>	<u>275,797</u>
Provisions for liabilities			
Deferred tax	13	(19,000)	(4,000)
		<u>(19,000)</u>	<u>(4,000)</u>
Net assets		<u><u>945,594</u></u>	<u><u>271,797</u></u>
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account	15	945,494	271,697
		<u>945,594</u>	<u>271,797</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 14 October 2021.



R Fudger
Director

The notes on pages 12 to 24 form part of these financial statements.

Gemporia Craft Limited

**Statement of Changes in Equity
For the Year Ended 31 March 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
Profit for the period	-	271,697	271,697
Shares issued during the period	100	-	100
At 1 April 2020	100	271,697	271,797
Profit for the year	-	673,797	673,797
At 31 March 2021	100	945,494	945,594

The notes on pages 12 to 24 form part of these financial statements.

1. General information

Gemporia Craft Limited is a private company, limited by shares and incorporated in England and Wales. The address of the registered office can be found on the company information page. The company's principal activities are that of the operation of TV and Ecommerce businesses, designing, sourcing and retailing jewellery and complementary products.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

Amounts presented in the financial statements have been rounded to the nearest £1.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

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

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

This information is included in the consolidated financial statements of Gemporia Partnership Limited as at 31 March 2021 and these financial statements may be obtained from Eagle Road Studios, Unit 2D Eagle Road, Moons Moat North Industrial Estate, Redditch, Worcestershire, B98 9HF.

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.3 Revenue

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

Sale of goods

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

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

2.4 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.5 Intangible assets

Intangible assets are initially recognised at cost.

Negative goodwill is calculated as the amount by which the fair value of assets acquired exceeds the cost of investment and is being amortised in line with the use of the assets to which it relates.

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

2. Accounting policies (continued)

2.6 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Fixtures, fittings and equipment - 3 years straight line

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

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

2.7 Stocks

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

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

2.8 Debtors

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

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2. Accounting policies (continued)

2.10 Creditors

Short term creditors are measured at the transaction price.

2.11 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.12 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans to and from group undertakings.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.14 Operating leases: the Company as lessee

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

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.15 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.16 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

3. Turnover

An analysis of turnover by class of business is as follows:

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
Craft retail	19,223,513	2,678,279

Analysis of turnover by country of destination:

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
United Kingdom	19,187,013	2,665,166
Rest of Europe	6,041	4,666
Rest of the world	30,459	8,447
	19,223,513	2,678,279

4. Other operating income

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
Government grants receivable	96,929	-

The Company has been eligible to claim from the government support schemes in response to the COVID-19 outbreak. The Company furloughed certain staff under the government's Coronavirus Job Retention Scheme (CJRS). The funding received of £96,929 relates to claims made in respect of the year.

Notes to the Financial Statements
For the Year Ended 31 March 2021

5. Employees

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

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
Wages and salaries	5,669,095	974,384
Social security costs	307,426	2,593
Cost of defined contribution scheme	107,783	433
	6,084,304	977,410

The average monthly number of employees, including directors, during the year was 109 (2020 - 18).

6. Taxation

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
Corporation tax		
Current tax on profits for the year	144,949	66,498
Adjustments in respect of previous periods	(1,710)	-
	143,239	66,498
Total current tax	143,239	66,498
Deferred tax		
Origination and reversal of timing differences	15,000	4,000
Total deferred tax	15,000	4,000
Taxation on profit on ordinary activities	158,239	70,498

Notes to the Financial Statements
For the Year Ended 31 March 2021

6. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	Year ended 31 March 2021 £	Period ended 31 March 2020 £
Profit on ordinary activities before tax	<u>832,036</u>	<u>342,195</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	158,087	65,017
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	582	5,726
Deferred tax not recognised	1,280	(245)
Adjustments to tax charge in respect of prior periods	(1,710)	-
Total tax charge for the period	<u><u>158,239</u></u>	<u><u>70,498</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Notes to the Financial Statements
For the Year Ended 31 March 2021

7. Intangible assets

	Negative goodwill £
At 1 April 2020	(2,812,439)
At 31 March 2021	<u>(2,812,439)</u>
At 1 April 2020	(1,116,477)
Charge for the year on owned assets	(1,553,096)
At 31 March 2021	<u>(2,669,573)</u>
Net book value	
At 31 March 2021	<u><u>(142,866)</u></u>
At 31 March 2020	<u><u>(1,695,962)</u></u>

Notes to the Financial Statements
For the Year Ended 31 March 2021

8. Tangible fixed assets

	Fixtures, fittings and equipment £
Cost or valuation	
At 1 April 2020	43,500
Additions	97,700
At 31 March 2021	141,200
Depreciation	
At 1 April 2020	3,625
Charge for the year on owned assets	24,850
At 31 March 2021	28,475
Net book value	
At 31 March 2021	112,725
At 31 March 2020	39,875

9. Stocks

	2021 £	2020 £
Finished goods and goods for resale	5,456,872	2,862,663

10. Debtors

	2021 £	2020 £
Trade debtors	363,826	64,003
Amounts owed by group undertakings	-	588,901
Other debtors	97,260	97,257
Prepayments and accrued income	341,333	374,849
	802,419	1,125,010

Notes to the Financial Statements
For the Year Ended 31 March 2021

11. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>237,203</u>	<u>130,982</u>

12. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	1,607,265	1,653,021
Amounts owed to group undertakings	3,026,511	106,972
Corporation tax	149,883	66,498
Other taxation and social security	565,540	210,351
Other creditors	50,502	41,775
Accruals and deferred income	102,058	108,154
	<u>5,501,759</u>	<u>2,186,771</u>

13. Deferred taxation

	2021 £
At beginning of year	4,000
Charged to profit or loss	15,000
At end of year	<u>19,000</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	21,000	7,000
Short term timing differences	(2,000)	(3,000)
	<u>19,000</u>	<u>4,000</u>

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

14. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1 each	100	100

15. Reserves

Profit and loss account

The profit and loss account reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £107,873 (2020: £17,536). Contributions totalling £17,277 (2020: £17,536) was payable to the fund at the balance sheet date and are included in creditors.

17. Commitments under operating leases

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Land and buildings		
Not later than 1 year	93,333	140,000
Later than 1 year and not later than 5 years	40,000	133,333
	<u>133,333</u>	<u>273,333</u>

	2021 £	2020 £
Other		
Not later than 1 year	1,369,620	4,145,080
Later than 1 year and not later than 5 years	148,906	1,526,031
	<u>1,518,526</u>	<u>5,671,111</u>

18. Related party transactions

In accordance with Financial Reporting Standard 102, transactions entered into between two or more members of the group headed by Gemporia Partnership Limited do not need to be disclosed where any subsidiary which is a party to the transaction is wholly owned. These transactions are included in the consolidated financial statements of Gemporia Partnership Limited which are obtainable from Eagle Road Studios, Unit 2D Eagle Road, Moons Moat North Industrial Estate, Redditch, Worcestershire, B98 9HF.

During the year, the Company paid rent of £60,000 (2020 - £Nil) to a director.

19. Controlling party

The ultimate parent undertaking is Gemporia Partnership Limited, by virtue of its 100% shareholding in the company's issued share capital.

The ultimate controlling party is TGGC EOT Ltd, the corporate trustee of TGGC Employee Ownership Trust, due to its majority shareholding in Gemporia Partnership Limited.