

Company registration number 13177398 (England and Wales)

SWD GROUP HOLDINGS LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

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SWD GROUP HOLDINGS LTD

COMPANY INFORMATION

Director	Mr S Hussain
Company number	13177398
Registered office	Unit 25 Mount Street Bradford BD4 8TA
Auditor	AMS Accountants Corporate Ltd Chartered Accountants Statutory Auditors Floor 2 9 Portland Street Manchester M1 3BE

SWD GROUP HOLDINGS LTD

CONTENTS

	Page
Strategic report	1 - 2
Director's report	3 - 5
Independent auditor's report	6 - 8
Group statement of comprehensive income	9
Group balance sheet	10
Company balance sheet	11
Group statement of changes in equity	12
Company statement of changes in equity	13
Group statement of cash flows	14
Notes to the financial statements	15 - 31

SWD GROUP HOLDINGS LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents the strategic report for the year ended 31 March 2023.

Review of the business

The company's primary activity revolves around wholesale distribution and cash-and-carry services for foodstuffs and packaging, catering to a diverse clientele including catering establishments, retail outlets, and private consumers. Despite challenges posed by the pandemic and global issues impacting the food wholesale market, the company has proactively embraced a delivery model, resulting in the acquisition of numerous new customers and a positive outlook for consistent turnover in the coming year. The company maintains a positive outlook on growth and has embarked on putting in place a number of technological advances to facilitate growth.

Principal risks and uncertainties

Credit risk

The company, which generally does not extend credit terms to customers, mitigates credit risk effectively.

Liquidity risk

Careful fund management, involving the strategic movement of funds between accounts and inter-company transactions, ensures liquidity readiness when needed.

Foreign currency risk

Exchange rate risks are diligently managed through negotiations and agreements in Sterling, demonstrating the company's commitment to stability.

Key performance indicators

Turnover, gross profit, and net profit after taxation serve as key performance indicators, reflecting the robust financial performance of the company. The director expresses confidence in the company's ability to navigate economic uncertainties and maintain strong successful trading.

Other performance indicators

The senior management team also consider the impact of the group on key non financial performance indicators; staff, health, safety, sustainability and environment.

SWD GROUP HOLDINGS LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Other information and explanations Company Board Objectives

Risk management

At SWD Group Holdings Limited, a comprehensive risk management framework, overseen by the director, identifies, monitors, and mitigates risks across the group. Policies are in place to implement strategies, as detailed in the principle risks and uncertainties section.

Staff involvement

Valuing staff as the forefront of the business, the company prioritises excellent customer service and interaction. A commitment to fair and transparent management, along with an equal opportunities policy, ensures employees are treated equitably. Investment in employee development remains a key business priority.

Customers & Supplier Relationships

Customer relationships are the cornerstone of the business, essential for sustained growth and success. The company maintains enduring relationships with suppliers, focusing on developing quality, sustainable supply chains. A positive supplier payment policy ensures adherence to contractual and legal obligations.

Community and environment

Actively engaging in community initiatives and environmental responsibility, the company sponsors sports teams, the local NHS Trust, and contributes to charitable causes, and is dedicated to reducing its carbon footprint. Recent initiatives include the introduction of electric fleet vehicles, solar energy adoption at key sites, and ongoing upgrades to energy-efficient equipment.

Carbon reporting and the environment

Aligning with the United Nations' Sustainable Development Goals, the group prioritises sustainability with a vision to conduct business responsibly. Initiatives include encouraging eco-friendly commuting, transitioning to electric vehicles, incorporating renewable energy sources, and consistently upgrading facilities for energy efficiency. Staff actively participate in energy conservation efforts. The company buys 100% green energy and is committed to reaching net zero.

This positive outlook and commitment to excellence underscore the company's resilience, adaptability, and responsible business practices.

Promoting the success of the company

In accordance with Section 172 (1) of the Companies Act 2006, the director has conscientiously considered factors promoting the company's success, including long-term consequences, employee interests, business relationships, community and environmental impact, business conduct standards, and fairness among members.

On behalf of the board



Mr S Hussain
Director

30 November 2023

SWD GROUP HOLDINGS LTD

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents his annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the group during the year is that of food wholesalers and distributors.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The director does not recommend payment of a further dividend.

Director

The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr S Hussain

Auditor

The auditor, AMS Accountants Corporate Ltd, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the group has consumed more than 40,000 kWh of energy in this reporting period, it is required to report on its emissions, energy consumption or energy efficiency activities.

	2023 kWh	2022 kWh
Energy consumption		
Aggregate of energy consumption in the year		
- Gas combustion	1,032,599	1,196,071
- Electricity purchased	2,748,696	3,342,643
- Fuel consumed for transport	2,812,519	2,374,929
	<u>6,593,714</u>	<u>6,913,643</u>
Emissions of CO2 equivalent		
	2023 metric tonnes	2022 metric tonnes
Scope 1 - direct emissions		
- Gas combustion	365.09	307.06
- Fuel consumed for owned transport	676.61	544.73
	<u>1,041.70</u>	<u>851.79</u>
Scope 2 - indirect emissions		
- Electricity purchased	640.81	779.30
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the group	25.35	25.35
	<u>1,707.86</u>	<u>1,656.44</u>
Total gross emissions	<u>1,707.86</u>	<u>1,656.44</u>
Intensity ratio		
Tonnes CO2e per full-time employee	<u>7.11</u>	<u>7.33</u>

SWD GROUP HOLDINGS LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per full-time employee, the recommended ratio for the sector.

Measures taken to improve energy efficiency

The group have a number of ways which they try to reduce their emissions and carbon footprint which are detailed as follows:

- Smart meters are installed to monitor electricity readings and energy usage each day to identify any anomalies
- Staff are encouraged to switch off monitors and printers when not in use, and not kept in standby mode.
- Sensor lights have been installed in a number of locations, and are being rolled out throughout all sites.
- All lightbulbs have been replaced with LED bulbs which are more efficient
- A number of vehicles owned by the company have been replaced with fully electric vehicles.
- Solar panels have been installed to reduce consumption of non-renewable energy
- Seals on doors and refrigeration units have been replaced to retain temperatures and reduce energy consumption.

During 2023 we offset 24,000 CO₂ emissions or 24 tonnes via our solar panels.

We are also looking into further ways to reduce carbon impact in subsequent years.

Statement of director's responsibilities

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Statement of disclosure to auditor


So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

SWD GROUP HOLDINGS LTD

DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

On behalf of the board



Mr S Hussain
Director

30 November 2023

SWD GROUP HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SWD GROUP HOLDINGS LTD

Opinion

We have audited the financial statements of SWD Group Holdings Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 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 director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. 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. 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 course of 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

SWD GROUP HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SWD GROUP HOLDINGS LTD

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 their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing 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 director either intends to liquidate the parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to pensions legislation, UK tax legislation and UK employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or manipulate expenditure and management bias in accounting estimates. Audit procedures performed by the audit engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of the financial statement disclosures to underlying supporting documentation;
- Challenging assumptions and judgements made by management in their significant accounting estimates;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or posted by senior management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transaction reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SWD GROUP HOLDINGS LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF SWD GROUP HOLDINGS LTD

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

AMS Accountants Corporate Ltd.

David Clegg BFP.FCA (Senior Statutory Auditor)
For and on behalf of AMS Accountants Corporate Ltd

Date: 30/11/23

Chartered Accountants
Statutory Auditor

Floor 2
9 Portland Street
Manchester
M1 3BE

SWD GROUP HOLDINGS LTD**GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2023**

		Year ended 31 March 2023 £	Period ended 31 March 2022 £
	Notes		
Turnover	3	79,021,025	72,970,576
Cost of sales		(68,045,339)	(65,930,874)
Gross profit		10,975,686	7,039,702
Administrative expenses		(6,625,708)	(4,202,912)
Other operating income		18,329	91,039
Operating profit	4	4,368,307	2,927,829
Interest receivable and similar income	8	11,248	-
Interest payable and similar expenses	9	(8,238)	-
Profit before taxation		4,373,317	2,927,829
Tax on profit	10	(1,141,592)	(644,039)
Profit for the financial year	26	3,231,725	2,283,790

Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.


SWD GROUP HOLDINGS LTD

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Goodwill	11	4,784,000		5,382,000	
Tangible assets	12	18,627,774		15,488,379	
Investment property	13	1,256,331		-	
		<u>24,668,105</u>		<u>20,870,379</u>	
Current assets					
Stocks	17	5,184,577		3,454,684	
Debtors	18	449,898		467,224	
Cash at bank and in hand		9,498,684		11,061,399	
		<u>15,133,257</u>		<u>14,983,307</u>	
Creditors: amounts falling due within one year	19	(9,631,694)		(8,839,957)	
Net current assets		<u>5,501,563</u>		<u>6,143,350</u>	
Total assets less current liabilities		<u>30,169,668</u>		<u>27,013,729</u>	
Creditors: amounts falling due after more than one year	20	(8,109,841)		(8,305,575)	
Provisions for liabilities					
Deferred tax liability	22	250,740	(250,740)	130,792	(130,792)
Net assets		<u>21,809,087</u>		<u>18,577,362</u>	
Capital and reserves					
Called up share capital	24		113		113
Share premium account	25		16,293,459		16,293,459
Profit and loss reserves	26		5,515,516		2,283,790
Total equity		<u>21,809,087</u>		<u>18,577,362</u>	

The financial statements were approved and signed by the director and authorised for issue on 30 November 2023


Mr S Hussain
Director

Company registration number 13177398 (England and Wales)

SWD GROUP HOLDINGS LTD


COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	14		300		300
Current assets					
Debtors	18	5,148,340		525,000	
Cash at bank and in hand		2,974,861		7,839,783	
		8,121,201		8,364,783	
Creditors: amounts falling due within one year	19	(2,437)		(59,395)	
Net current assets			8,118,764		8,305,388
Total assets less current liabilities			8,119,064		8,305,688
Creditors: amounts falling due after more than one year	20		(8,109,841)		(8,305,575)
Net assets			9,223		113
Capital and reserves					
Called up share capital	24		113		113
Profit and loss reserves	26		9,110		-
Total equity			9,223		113

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £9,110 (2022 - £0 profit).

The financial statements were approved and signed by the director and authorised for issue on 30 November 2023


Mr S Hussain
Director

Company registration number 13177398 (England and Wales)

SWD GROUP HOLDINGS LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 3 February 2021		-	-	-	-
Period ended 31 March 2022:					
Profit and total comprehensive income		-	-	2,283,790	2,283,790
Issue of share capital	24	113	16,293,459	-	16,293,572
Balance at 31 March 2022		113	16,293,459	2,283,790	18,577,362
Year ended 31 March 2023:					
Profit and total comprehensive income		-	-	3,231,725	3,231,725
Balance at 31 March 2023		113	16,293,459	5,515,515	21,809,087

SWD GROUP HOLDINGS LTD

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
Balance at 3 February 2021		-	-	-
Period ended 31 March 2022:				
Profit and total comprehensive income for the period		-	-	-
Issue of share capital	24	113	-	113
Balance at 31 March 2022		113	-	113
Year ended 31 March 2023:				
Profit and total comprehensive income		-	9,110	9,110
Balance at 31 March 2023		113	9,110	9,223

SWD GROUP HOLDINGS LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	29	4,370,095	15,903,658
Interest paid		(6,238)	-
Income taxes paid		(507,009)	-
Net cash inflow from operating activities		3,856,848	15,903,658
Investing activities			
Purchase of intangible assets		-	(5,980,000)
Purchase of tangible fixed assets	(4,225,975)	(17,006,047)	
Proceeds from disposal of tangible fixed assets	51,495	349,216	
Purchase of investment property	(1,256,331)	-	
Income received from investments	11,248	-	
Net cash used in investing activities		(5,419,563)	(22,635,831)
Financing activities			
Proceeds from issue of shares		16,293,572	
Net cash (used in)/generated from financing activities		-	16,293,572
Net (decrease)/increase in cash and cash equivalents		(1,562,715)	9,561,399
Cash and cash equivalents at beginning of year		9,561,399	-
Cash and cash equivalents at end of year		7,998,684	9,561,399
Relating to:			
Cash at bank and in hand		9,498,684	11,061,399
Bank overdrafts included in creditors payable within one year		(1,500,000)	(1,500,000)

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

SWD Group Holdings Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 25, Mount Street, Bradford, BD4 8JA.

The group consists of SWD Group Holdings Ltd and all of its subsidiaries.

1.1 Reporting period

The financial statements are prepared for a 12 month period, however the prior period financial statements cover a period of 421 days from the date of incorporation to 31 March 2022 with the accounting reference date being brought in line with the group financial reporting dates.

This means that the comparative amounts presented in the financial statements (including the related notes) are not entirely comparable.

1.2 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.3 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.4 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company SWD Group Holdings Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.5 Going concern

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

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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.

Revenue from transport services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

Revenue from rent of the property is recognised at the end of each month on an accruals basis in line with the relevant rental agreement.

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.8 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.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line basis
Leasehold land and buildings	over the term of the lease
Plant and equipment	10% straight line basis
Computers	25% straight line basis
Motor vehicles	25% straight line basis

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 recognised in the profit and loss account.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.10 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.11 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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 at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.13 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and 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.

1.14 Financial instruments

The group 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 in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts 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 debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and 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.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal 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 the group 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.

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 group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.15 Equity instruments

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

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.17 Employee benefits

The costs of short-term 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.

1.18 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.19 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.20 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.21 Subsidiary undertakings exempt from audit

Under Section 479a of the Companies Act 2006 available to subsidiary undertakings, the company provides a guarantee in respect of the below subsidiary undertakings claiming exemption from audit.

Adams Foodservice Trading Ltd (13204158)
Eve Transport Ltd (13204184)
Eden Assets Ltd (13242555)
Genesis Properties (Yorkshire) Ltd (14086422)

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the director is 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 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 the revision and future periods where the revision affects both current and future periods.

The directors do not consider that there are any critical judgements or sources of estimation uncertainty requiring disclosure during the current or prior period.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business		
Wholesale and distribution of food	79,021,025	72,970,576

	2023 £	2022 £
Other revenue		
Interest income	11,248	-
Grants received	-	21,000

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Government grants	-	(21,000)
Depreciation of owned tangible fixed assets	1,061,323	924,840
(Profit)/loss on disposal of tangible fixed assets	(28,238)	242,812
Amortisation of intangible assets	598,000	598,000

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	21,000	19,000

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Director	2	1	1	1
Direct and administration	218	225	-	-
Total	220	226	1	1

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6	Employees	(Continued)			
	Their aggregate remuneration comprised:				
		Group	2022	Company	2022
		2023	£	2023	£
		£	£	£	£
	Wages and salaries	4,897,589	4,925,255	-	-
	Social security costs	408,136	308,680	-	-
	Pension costs	400,321	34,175	-	-
		<u>5,706,046</u>	<u>5,268,010</u>	<u>-</u>	<u>-</u>
7	Director's remuneration			2023	2022
				£	£
	Remuneration for qualifying services			12,570	-
8	Interest receivable and similar income			2023	2022
				£	£
	Other income from investments				
	Gains on financial instruments measured at fair value through profit or loss			11,248	-
				<u>11,248</u>	<u>-</u>
	Investment income includes the following:			2023	2022
				£	£
	Interest on financial assets measured at fair value through profit or loss			11,248	-
9	Interest payable and similar expenses			2023	2022
				£	£
	Other interest			6,238	-
10	Taxation			2023	2022
				£	£
	Current tax				
	UK corporation tax on profits for the current period			916,933	513,247
	Adjustments in respect of prior periods			104,711	-
	Total current tax			<u>1,021,644</u>	<u>513,247</u>

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10	Taxation	(Continued)	
		2023 £	2022 £
	Deferred tax		
	Origination and reversal of timing differences	119,948	130,792
	Total tax charge	1,141,592	644,039

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	4,373,317	2,927,829
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	830,930	558,288
Tax effect of expenses that are not deductible in determining taxable profit	269,717	44,132
Permanent capital allowances in excess of depreciation	(224,125)	(17,260)
Depreciation on assets not qualifying for tax allowances	40,570	34,798
Research and development tax credit	-	(104,711)
Under/(over) provided in prior years	104,711	-
Deferred tax adjustments	119,789	130,792
Taxation charge	1,141,592	644,039

11	Intangible fixed assets	
	Group	Goodwill £
	Cost	
	At 1 April 2022 and 31 March 2023	5,980,000
	Amortisation and impairment	
	At 1 April 2022	598,000
	Amortisation charged for the year	598,000
	At 31 March 2023	1,196,000
	Carrying amount	
	At 31 March 2023	4,784,000
	At 31 March 2022	5,382,000

The company had no intangible fixed assets at 31 March 2023 or 31 March 2022.

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

Group	Freehold land and buildings	Leasehold land and buildings	Plant and equipment	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	10,878,044	475,000	3,838,108	835,809	751,152	16,378,113
Additions	270,658	2,922,743	225,737	64,247	742,690	4,225,975
Disposals	-	-	-	-	(117,255)	(117,255)
At 31 March 2023	11,148,702	3,397,743	3,863,845	700,056	1,376,487	20,486,833
Depreciation and Impairment						
At 1 April 2022	207,578	9,727	358,779	138,034	175,616	889,734
Depreciation charged in the year	245,787	9,727	375,731	169,594	260,464	1,081,323
Eliminated in respect of disposals	-	-	-	-	(91,998)	(91,998)
At 31 March 2023	453,365	19,454	734,510	307,628	344,102	1,859,059
Carrying amount						
At 31 March 2023	10,695,337	3,378,289	3,129,335	392,428	1,032,385	18,627,774
At 31 March 2022	10,670,466	465,273	3,279,329	497,775	575,536	15,488,379

The company had no tangible fixed assets at 31 March 2023 or 31 March 2022.

13 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 April 2022 and 31 March 2023	-	-
Additions through external acquisition	1,256,331	-
At 31 March 2023	1,256,331	-

Investment property comprises of a warehouse. The fair value of the investment property has been arrived at on the basis of the purchase completion statement. As the property was purchased during the year, the directors are satisfied that the value is at open market value basis.

14 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	15	-	-	300	300

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments (Continued)

Movements in fixed asset investments Company	Shares in subsidiaries £
Cost or valuation At 1 April 2022 and 31 March 2023	300
Carrying amount At 31 March 2023	300
At 31 March 2022	300

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Adams Foodservice Trading Ltd	UK	Ordinary	100.00
Eve Transport Ltd	UK	Ordinary	100.00
Eden Assets Ltd	UK	Ordinary	100.00
Genesis Properties (Yorkshire) Ltd	UK	Ordinary	100.00

16 Financial instruments

	Group 2023 £	2022 £	Company 2023 £	2022 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	228,457	198,120	n/a	n/a
Carrying amount of financial liabilities				
Measured at amortised cost	16,332,420	16,393,826	n/a	n/a

17 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Finished goods and goods for resale	6,184,577	3,454,684	-	-

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	45,638	196,519	-	-
Amounts owed by group undertakings	-	-	4,978,615	525,000
Other debtors	259,968	-	167,725	-
Prepayments and accrued income	144,390	270,705	-	-
	<u>449,996</u>	<u>467,224</u>	<u>5,146,340</u>	<u>525,000</u>

19 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts	21	1,500,000	1,500,000	-	-
Trade creditors		5,865,652	4,607,858	-	-
Amounts owed to group undertakings		-	-	300	59,395
Corporation tax payable		1,027,882	513,247	2,137	-
Other taxation and social security		381,233	238,459	-	-
Other creditors		63,908	-	-	-
Accruals and deferred income		793,019	1,980,593	-	-
		<u>9,631,694</u>	<u>8,839,957</u>	<u>2,437</u>	<u>59,395</u>

20 Creditors: amounts falling due after more than one year

	Group 2023 £	2022 £	Company 2023 £	2022 £
Other creditors	<u>8,109,641</u>	<u>8,305,575</u>	<u>8,109,641</u>	<u>8,305,575</u>

21 Loans and overdrafts

	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank overdrafts	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>
Payable within one year	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

21 Loans and overdrafts

(Continued)

The banking facilities of the company are secured by way of fixed and floating charges in favour of Lloyds Bank PLC as follows:

Cross guarantee and debenture between SWD Group Holdings Ltd, Adams Foodservice Trading Ltd, Eve Transport Ltd, Eden Assets Ltd and Genesis Properties (Yorkshire) Ltd, dated 6th January 2023.

22 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	250,740	130,792

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 April 2022	130,792	-
Charge to profit or loss	119,948	-
Liability at 31 March 2023	250,740	-

23 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	400,321	34,175

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

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

24 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A shares of £1 each	8	8	8	8
Ordinary B shares of £1 each	8	8	8	8
Ordinary C shares of £1 each	8	8	8	8
Ordinary D shares of £1 each	8	8	8	8
Ordinary E shares of £1 each	8	8	8	8
Ordinary F shares of £1 each	8	8	8	8
Ordinary G shares of £1 each	8	8	8	8
Ordinary H shares of £1 each	8	8	8	8
Ordinary I shares of £1 each	8	8	8	8
Ordinary J shares of £1 each	8	8	8	8
Ordinary K shares of £1 each	8	8	8	8
Ordinary L shares of £1 each	8	8	8	8
Ordinary M shares of £1 each	17	17	17	17
	<u>113</u>	<u>113</u>	<u>113</u>	<u>113</u>

Each class of share issued is non-redeemable and ranks equally in terms of voting right and rights to participate in all approved dividend distributions for that class of share. Each class of share has equal rights to participate in any capital distribution on winding up.

25 Share premium account

	Group	2022	Company	2022
	2023	£	2023	£
£	£	£	£	£
At the beginning of the year	16,293,459	-	-	-
Issue of new shares	-	16,293,459	-	-
At the end of the year	<u>16,293,459</u>	<u>16,293,459</u>	<u>-</u>	<u>-</u>

26 Profit and loss reserves

	Group	2022	Company	2022
	2023	£	2023	£
£	£	£	£	£
At the beginning of the year	2,283,790	-	-	-
Profit for the year	<u>3,231,725</u>	<u>2,283,790</u>	<u>9,110</u>	<u>-</u>
At the end of the year	<u>5,515,515</u>	<u>2,283,790</u>	<u>9,110</u>	<u>-</u>

27 Related party transactions

The following amounts were outstanding at the reporting end date:

SWD GROUP HOLDINGS LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

28 Controlling party

No individual shareholder has control of the company.

29 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	3,231,725	2,283,790
Adjustments for:		
Taxation charged	1,141,592	644,039
Finance costs	8,238	-
Investment income	(11,248)	-
(Gain)/loss on disposal of tangible fixed assets	(26,238)	242,812
Amortisation and impairment of intangible assets	598,000	598,000
Depreciation and impairment of tangible fixed assets	1,081,323	924,640
Movements in working capital:		
Increase in stocks	(1,729,893)	(3,454,684)
Decrease/(increase) in debtors	17,228	(467,224)
Increase in creditors	81,368	15,132,285
Cash generated from operations	4,370,095	15,903,658

30 Analysis of changes in net funds - group

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	11,061,399	(1,562,715)	9,498,684
Bank overdrafts	(1,500,000)	-	(1,500,000)
	9,561,399	(1,562,715)	7,998,684