

REGISTERED NUMBER: 00438850 (England and Wales)

Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2021
for
Jaines & Son (Grimsby) Limited



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for the Year Ended 31 December 2021

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Jaines & Son (Grimsby) Limited

Company Information
for the Year Ended 31 December 2021

DIRECTORS:

Mrs B A Sparkes
G Olley
S M Little
K Holness
C P Sparkes
M G Woods

SECRETARY:

Mrs B A Sparkes

REGISTERED OFFICE:

Kemp Road
Fish Docks
Grimsby
North East Lincs
DN31 3SY

REGISTERED NUMBER:

00438850 (England and Wales)

AUDITORS:

Haines Watts, Chartered Accountants
117 - 119 Cleethorpe Road
Grimsby
North East Lincs
DN31 3ET

Strategic Report
for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

REVIEW OF BUSINESS

Following the previous year's challenges, Covid pandemic and Brexit there has been some return to normal trading conditions once past the first quarter. Along with the existing business Jaines have worked hard to develop long term strategic partnerships with new and existing customers. This has helped form a robust and solid platform in the shape of a joined-up approach of supplier and customer end consumer collaboration. Being on the bottom rung of the of the long-term planning ladder cements good understanding and builds trust, confidence and helps the management team continue development. In short, a new approach in our foodservice supply strategy. Continual investment in the processing development to help cope with the challenges of seasonal demand has helped meet increases for product and the ability to react to price variations. Turnover expected to grow through the return to normal trading conditions.

PRINCIPAL RISKS AND UNCERTAINTIES

Brexit is continuing to bring challenges in the shape of increased levy uncertainties and supply of raw materials. Strong bonds with suppliers have been advantageous in the way of addressing any legislation understanding and keeping supply in healthy position. Any risk is still a major priority and is continually monitored by management to enable any required actions or adjustments to procedures and protocols.

Credit risk management is underpinned by insured limits on all customers. Payment performances are monitored, and supply levels measured in respect to performance. All customers have now signed agreements within the credit system promoting best practice regarding account management.

KEY PERFORMANCE INDICATORS

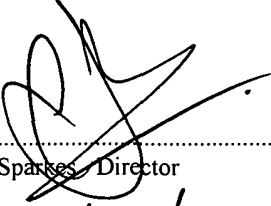
Directors and senior management are all focused on the KPI's of the business and believe that the mointoring of these KPI's is an effective way to review the business performance.

Financial performance indicators include: Sales, gross profit and profit before tax. Stock and debtors levels are also closely monitored.

	2021	2020
	£	£
Turnover	17,902,727	15,082,512
Profit before tax	372,632	394,014

Non-financial performance indicators are supplier and customer satisfaction and continued adherence to the legislation that surrounds the industry.

ON BEHALF OF THE BOARD:


.....
C P Sparkes, Director

Date: 13/09/2022

Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Report of the Directors
for the Year Ended 31 December 2021

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of wholesaler of fish.

DIVIDENDS

An interim dividend of £54.06 per share was paid on 6 April 2021. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2021 will be £108,111.

DIRECTORS

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

Mrs B A Sparkes
G Olley
S M Little
K Holness
C P Sparkes

Other changes in directors holding office are as follows:

M G Woods - appointed 3 September 2021

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

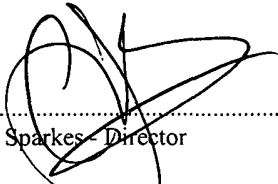
Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Report of the Directors
for the Year Ended 31 December 2021

AUDITORS

The auditors, Haines Watts, Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


.....
C P Sparkes - Director

Date: 13/04/2022

Report of the Independent Auditors to the Members of
Jaines & Son (Grimsby) Limited

Opinion

We have audited the financial statements of Jaines & Son (Grimsby) Limited (the 'company') for the year ended 31 December 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of
Jaines & Son (Grimsby) Limited

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Report of the Independent Auditors to the Members of
Jaines & Son (Grimsby) Limited

Auditors' responsibilities for the audit of the financial statements

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

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

Through discussion with management and those charged with governance we gained an understanding of the legal and regulatory framework applicable to the entity and the industry in which it operates, and considered the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud. During the engagement team briefing we communicated the identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements, including, but not limited to, financial reporting legislation, the Companies Act 2006, distributable profits legislation and tax legislations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We evaluated management's incentives and opportunities for fraudulent manipulations of the financial statements (including risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates.

Audit procedures undertaken in response to the potential risk relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of:

- enquiries of management and those charged with governance as to whether the entity complies with such laws and regulations;
- enquiries with the same concerning any actual or potential litigation claims;
- review of journal entries posted with unusual account combinations or posted by senior management;
- use of audit data analytics to highlight any unusual transactions;
- reviewing accounting estimates for bias;
- performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

The likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
Jaines & Son (Grimsby) Limited

Use of our report

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

Kate Bradshaw FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts, Chartered Accountants
117 - 119 Cleethorpe Road
Grimsby
North East Lincs
DN31 3ET

Date: 13/09/2022

Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Income Statement
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
TURNOVER		17,902,727	15,082,512
Cost of sales		16,496,463	13,983,846
GROSS PROFIT		1,406,264	1,098,666
Administrative expenses		1,369,696	1,297,398
		36,568	(198,732)
Other operating income		357,798	624,808
OPERATING PROFIT	4	394,366	426,076
Interest receivable and similar income		10,699	10,169
		405,065	436,245
Interest payable and similar expenses	5	32,433	42,231
PROFIT BEFORE TAXATION		372,632	394,014
Tax on profit	6	75,982	86,158
PROFIT FOR THE FINANCIAL YEAR		296,650	307,856

The notes form part of these financial statements

Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Other Comprehensive Income
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
PROFIT FOR THE YEAR		296,650	307,856
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>296,650</u>	<u>307,856</u>

The notes form part of these financial statements

Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Balance Sheet

31 December 2021

	Notes	31.12.21 £	31.12.20 £
FIXED ASSETS			
Intangible assets	8	129,000	172,000
Tangible assets	9	480,000	467,173
		<u>609,000</u>	<u>639,173</u>
CURRENT ASSETS			
Stocks	10	514,150	187,930
Debtors	11	1,621,489	1,278,841
Cash at bank		307,947	407,233
		<u>2,443,586</u>	<u>1,874,004</u>
CREDITORS			
Amounts falling due within one year	12	1,491,430	1,177,163
NET CURRENT ASSETS		<u>952,156</u>	<u>696,841</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,561,156</u>	<u>1,336,014</u>
CREDITORS			
Amounts falling due after more than one year	13	(300,663)	(249,061)
PROVISIONS FOR LIABILITIES	17	(44,431)	(44,087)
ACCRUALS AND DEFERRED INCOME	18	(67,319)	(82,662)
NET ASSETS		<u>1,148,743</u>	<u>960,204</u>
CAPITAL AND RESERVES			
Called up share capital	19	2,000	2,000
Retained earnings	20	1,146,743	958,204
SHAREHOLDERS' FUNDS		<u>1,148,743</u>	<u>960,204</u>

The financial statements were approved by the Board of Directors and authorised for issue on 13/09/2022 and were signed on its behalf by:

.....
C P Sparkes - Director

The notes form part of these financial statements

Jaines & Son (Grimsby) Limited (Registered number: 00438850)

Statement of Changes in Equity
for the Year Ended 31 December 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2020	2,000	735,140	737,140
Changes in equity			
Dividends	-	(84,792)	(84,792)
Total comprehensive income	-	307,856	307,856
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	2,000	958,204	960,204
	<hr/>	<hr/>	<hr/>
Changes in equity			
Dividends	-	(108,111)	(108,111)
Total comprehensive income	-	296,650	296,650
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2021	2,000	1,146,743	1,148,743
	<hr/>	<hr/>	<hr/>

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 31 December 2021

	Notes	31.12.21 £	31.12.20 £
Cash flows from operating activities			
Cash generated from operations	1	294,837	211,141
Interest paid		(30,726)	(39,801)
Interest element of hire purchase payments paid		(1,707)	(2,430)
Tax paid		(91,701)	(11,705)
Taxation refund		-	9,178
Net cash from operating activities		<u>170,703</u>	<u>166,383</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(69,241)	(539)
Interest received		10,699	10,169
Net cash from investing activities		<u>(58,542)</u>	<u>9,630</u>
Cash flows from financing activities			
New loans in year		50,000	200,000
Loan repayments in year		(98,274)	(55,328)
Capital repayments in year		(4,920)	(4,666)
Amount introduced by directors		108,112	84,792
Amount withdrawn by directors		(158,254)	(90,274)
Equity dividends paid		(108,111)	(84,792)
Net cash from financing activities		<u>(211,447)</u>	<u>49,732</u>
(Decrease)/increase in cash and cash equivalents		<u>(99,286)</u>	<u>225,745</u>
Cash and cash equivalents at beginning of year	2	407,233	181,488
Cash and cash equivalents at end of year	2	<u><u>307,947</u></u>	<u><u>407,233</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 December 2021

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

	31.12.21 £	31.12.20 £
Profit before taxation	372,632	394,014
Depreciation charges	99,414	91,455
Government grants	(15,343)	(15,343)
Finance costs	32,433	42,231
Finance income	(10,699)	(10,169)
	<hr/>	<hr/>
	478,437	502,188
Increase in stocks	(326,220)	(80,114)
(Increase)/decrease in trade and other debtors	(292,506)	402,652
Increase/(decrease) in trade and other creditors	435,126	(613,585)
	<hr/>	<hr/>
Cash generated from operations	<u>294,837</u>	<u>211,141</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	<u>307,947</u>	<u>407,233</u>

Year ended 31 December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	<u>407,233</u>	<u>181,488</u>

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	<u>407,233</u>	<u>(99,286)</u>	<u>307,947</u>
	<hr/>	<hr/>	<hr/>
	407,233	(99,286)	307,947
Debt			
Finance leases	(7,478)	4,920	(2,558)
Debts falling due within 1 year	(298,380)	102,434	(195,946)
Debts falling due after 1 year	(246,503)	(54,160)	(300,663)
	<hr/>	<hr/>	<hr/>
	(552,361)	53,194	(499,167)
	<hr/>	<hr/>	<hr/>
Total	<u>(145,128)</u>	<u>(46,092)</u>	<u>(191,220)</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 December 2021

1. **STATUTORY INFORMATION**

Jaines & Son (Grimsby) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Significant judgements and estimates

In applying the company's accounting policies set out below management is required to make certain estimates and judgements concerning the future. These judgements are regularly reviewed and updated as necessary. The estimates and judgements that have most significant effect on the amounts included in these financial statements are as follows:

- Useful lives of plant and equipment

Depreciation is provided so as to write down the assets to their residual values over their estimated useful lives as set out in the company's accounting policy. The selection of these estimated useful lives requires the exercise of management judgement. Useful lives are regularly reviewed and should management's assessment of useful lives shorten then depreciation charges in the financial statements would increase and carrying amounts of property, plant and equipment would reduce accordingly.

- Trade debtors

The company reviews the reconcilability of trade debtors and makes allowances for doubtful debts where considered appropriate. If there is evidence of impairment the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognised immediately in the income statement.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, Value Added Tax (VAT) and other sales related taxes.

Sales of goods are recognised when goods are dispatched and title has passed, and to the extent that sales are invoiced in advance of delivery, income is deferred.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, will be amortised evenly over its estimated useful life of five years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

- | | |
|---------------------|-----------------------------------|
| Freehold property | - in accordance with the property |
| Plant and machinery | - 25% on reducing balance |

Government grants

Government grants are recognised in the income statement in the period in which they relate to.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

2. **ACCOUNTING POLICIES - continued**

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

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

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees in the year was 64 (2020: 69) which includes the 6 (2020: 5) directors.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

	31.12.21	31.12.20
	£	£
Directors' remuneration	<u>287,632</u>	<u>176,507</u>

Information regarding the highest paid director for the year ended 31 December 2021 is as follows:

	31.12.21
	£
Emoluments etc	<u>101,972</u>

4. OPERATING PROFIT

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

	31.12.21	31.12.20
	£	£
Other operating leases	66,306	50,957
Depreciation - owned assets	55,402	47,442
Depreciation - assets on hire purchase contracts	1,012	1,011
Goodwill amortisation	43,000	43,002
Auditors' remuneration	9,450	8,975
Auditors' remuneration for non audit work	468	464
Government grants	<u>(351,714)</u>	<u>(624,808)</u>

Government grants represent Coronavirus Job Retention Scheme grants received in respect of furloughed employees and a deferred grant relating to the purchase of plant and machinery being released over the useful economic life of the asset.

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.21	31.12.20
	£	£
Bank loan interest	2,046	9,190
Factoring interest	28,680	30,611
Hire purchase	1,164	1,164
Leasing	543	1,266
	<u>32,433</u>	<u>42,231</u>

6. TAXATION

Analysis of the tax charge

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

	31.12.21	31.12.20
	£	£
Current tax:		
UK corporation tax	75,638	91,739
Deferred tax	344	(5,581)
Tax on profit	<u>75,982</u>	<u>86,158</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

6. **TAXATION - continued**

Reconciliation of total tax charge included in profit and loss

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

	31.12.21	31.12.20
	£	£
Profit before tax	372,632	394,014
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	70,800	74,863
Effects of:		
Expenses not deductible for tax purposes	390	197
Depreciation in excess of capital allowances	4,792	11,098
Total tax charge	75,982	86,158

7. **DIVIDENDS**

	31.12.21	31.12.20
	£	£
Ordinary shares of £1 each		
Interim dividends	108,111	84,792

8. **INTANGIBLE FIXED ASSETS**

	Goodwill
	£
COST	
At 1 January 2021	
and 31 December 2021	215,002
AMORTISATION	
At 1 January 2021	43,002
Amortisation for year	43,000
At 31 December 2021	86,002
NET BOOK VALUE	
At 31 December 2021	129,000
At 31 December 2020	172,000

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

9. **TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1 January 2021	505,864	354,187	860,051
Additions	-	69,241	69,241
	<hr/>	<hr/>	<hr/>
At 31 December 2021	505,864	423,428	929,292
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2021	187,151	205,727	392,878
Charge for year	26,533	29,881	56,414
	<hr/>	<hr/>	<hr/>
At 31 December 2021	213,684	235,608	449,292
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2021	292,180	187,820	480,000
	<hr/>	<hr/>	<hr/>
At 31 December 2020	318,713	148,460	467,173
	<hr/>	<hr/>	<hr/>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST	
At 1 January 2021 and 31 December 2021	15,171
	<hr/>
DEPRECIATION	
At 1 January 2021	1,601
Charge for year	1,012
	<hr/>
At 31 December 2021	2,613
	<hr/>
NET BOOK VALUE	
At 31 December 2021	12,558
	<hr/>
At 31 December 2020	13,570
	<hr/>

10. **STOCKS**

	31.12.21 £	31.12.20 £
Finished goods	514,150	187,930
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Trade debtors	999,259	711,503
Other debtors	105,111	115,576
Directors' loan accounts	462,272	412,130
VAT	46,927	32,356
Prepayments and accrued income	7,920	7,276
	<u>1,621,489</u>	<u>1,278,841</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21	31.12.20
	£	£
Bank loans and overdrafts (see note 14)	117,799	267,799
Other loans (see note 14)	78,147	30,581
Hire purchase contracts (see note 15)	2,558	4,920
Trade creditors	986,629	504,883
Corporation tax	75,638	91,701
Social security and other taxes	51,826	34,925
Other creditors	116,802	181,594
Wages creditor	28,346	-
Accruals and deferred income	33,685	60,760
	<u>1,491,430</u>	<u>1,177,163</u>

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

	31.12.21	31.12.20
	£	£
Bank loans (see note 14)	216,411	162,251
Other loans (see note 14)	84,252	84,252
Hire purchase contracts (see note 15)	-	2,558
	<u>300,663</u>	<u>249,061</u>

14. LOANS

An analysis of the maturity of loans is given below:

	31.12.21	31.12.20
	£	£
Amounts falling due within one year or on demand:		
Bank loans	117,799	267,799
Other loans	78,147	30,581
	<u>195,946</u>	<u>298,380</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	216,411	162,251
Other loans - 1-2 years	84,252	84,252
	<u>300,663</u>	<u>246,503</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

17. **PROVISIONS FOR LIABILITIES - continued**

			Deferred tax £
Balance at 1 January 2021			44,087
Provided during year			344
			<hr/>
Balance at 31 December 2021			44,431
			<hr/>

18. **ACCRUALS AND DEFERRED INCOME**

	31.12.21	31.12.20
	£	£
Deferred government grants	67,319	82,662
	<hr/>	<hr/>

19. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.21	31.12.20
			£	£
2,000	Ordinary	£1	2,000	2,000
			<hr/>	<hr/>

20. **RESERVES**

		Retained earnings £
At 1 January 2021		958,204
Profit for the year		296,650
Dividends		(108,111)
		<hr/>
At 31 December 2021		1,146,743
		<hr/>

21. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 31 December 2021 and 31 December 2020:

	31.12.21	31.12.20
	£	£
C P Sparkes and Mrs B A Sparkes		
Balance outstanding at start of year	15,629	7,905
Amounts advanced	72,966	61,143
Amounts repaid	(68,110)	(53,419)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	20,485	15,629
	<hr/>	<hr/>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2021

21. **DIRECTORS' ADVANCES, CREDITS AND GUARANTEES - continued**

G Olley

Balance outstanding at start of year	119,740	120,450
Amounts advanced	15,123	8,617
Amounts repaid	(11,892)	(9,327)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>122,971</u>	<u>119,740</u>

S M Little

Balance outstanding at start of year	131,693	132,812
Amounts advanced	21,376	9,904
Amounts repaid	(14,054)	(11,023)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>139,015</u>	<u>131,693</u>

K Holness

Balance outstanding at start of year	145,068	145,482
Amounts advanced	21,716	10,609
Amounts repaid	(14,054)	(11,023)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>152,730</u>	<u>145,068</u>

M G Woods

Balance outstanding at start of year	-	-
Amounts advanced	27,070	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>27,070</u>	<u>-</u>

22. **ULTIMATE CONTROLLING PARTY**

The controlling party is C P Sparkes.