Grant Thornton

Financial Statements

Coinstone Limited

For the period ended 31 March 2023

Registered number: 1850620

Company Information

Director	John Lister
Company secretary	David Roberts
Registered number	1850620
Registered office	Shipton Mill Long Newnton Tetbury Gloucstershire GL8 8RP
Independent auditor	Grant Thornton (NI) LLP Chartered Accountants & Statutory Auditors 12 - 15 Donegall Square West Belfast BT1 6JH
Bankers	Handelsbanken 66 Queen Square Bristol BS1 4JP
Solicitors	Burges Salmon Narrow Quay House Narrow Quay Bristol BS1 4AH

Contents

Group Strategic Report
For the period ended 31 March 2023

Introduction

The director has pleasure in presenting the strategic report of the company for the period ended 31 March 2023..

Principal activities and business review

The principal activity of the company is that of an investment holding company. The principal activities of the group include flour milling, baking of specialty food, development of advanced fuel technologies hospitality, tourism and agricultural related activities.

The director is satisfied with the trading results for the period which is in line with expectation.

Principal risks and uncertainties

The director considers that the principal risks and uncertainties faced by the group are in the following categories:

Economic risk
The group is subject to risks regarding both changes in market interest rate risk and price inflation. The director continues to monitor fluctuations in market rates, and has strategies in place to mitigate the impact any adverse changes in each may have on operations.

Competition risk
The director of the group manages competition risk through close attention to customer service levels.

Financial risk
All key financial figures are monitored on an ongoing basis.

People in our business
The continued success of the group has been achieved by the people working in it. There are many quality members of staff and the relatively low turnover of personnel reflects the general policy of providing good terms and conditions of employment while dealing with staff as well as the other stakeholders in the business, in a fair and consistent manner.

Foreign exchange risk
The group is exposed to some foreign exchange risk in the normal course of business, principally on purchases in US Dollars and Euros. The group regularly reviews exchange risk exposure and seeks to hedge against potential losses using forward exchange contracts where necessary.

Financial key performance indicators

The group considers the following measures to be important indicators of the underlying performance of the business:

Operating margin
Operating margin for the group was 2.2% compared with 4.0% in 2022.

Gross margin
Gross margin for the group was 30.6% compared with 30.3% in 2022.

Group Strategic Report (continued)
For the period ended 31 March 2023

Director's statement of compliance with duty to promote the success of the Company

From the perspective of the Director, the matters for consideration under section 172 of the Companies Act 2006("s172") have been considered to an appropriate extent by the Group. Such consideration is included in the statements set out below, noting the Director's duty under s172 to act in good faith to promote the success of the Group for the benefit of its shareholders but having regard amongst other matters to the following:
• the likely consequences of any decision in the long term;
• the interests of the Group's employees;
• the need to foster the Group's business relationships with customers and others;
• the impact of the Group's operations on the community and the environment;
• the desirability of the Group maintaining a reputation for high standards of business conduct; and
• the need to act fairly as between members of the Group.

For the Group, compliance is one of the cornerstone values and forms the basis for all decisions and activities. It is the key to integrity in conducting business. The Director is committed to ensuring that all business is carried out in full accordance with the law as well as internal rules and principles.

The Director of the Group, confirmed that he has acted in the way he considers, in good faith, would be most likely to promote success of the Group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in Section 172(1) (a-f) of the Act) in the decisions taken during the period ended 31 March 2023. The following paragraphs summarise how the director has fulfilled his duties:
• As the Director, my intention is to behave responsibly and ensure that management operate the business in a responsible manner;
• As the Director, I am committed to openly engage with my shareholders. It is important to me that shareholders understand my strategy and objectives, so these must be clearly communicated, feedback heard and issues or questions raised properly considered;
• As my services provided grow, our risk environment also becomes more complex. It is therefore, important that I effectively identify, evaluate, manage and mitigate the risks the Group faces. For details of my principal risks and uncertainties, please see previous paragraphs of my Group strategic report;
• Our employees are vital to the services provided by the Group. I aim to be a responsible employer in my approach to the pay and benefits for my employees. For my business to succeed, I need to manage my employees' performance and develop talent while ensuring the Group operates as efficiently as possible. The health and safety of my employees is very important to me; and
• In order to grow our business, I need to develop and maintain strong business relationships. I value all of our suppliers and customers.

This report was approved by the board on 18 December 2023 and signed on its behalf.

John Lister
Director

Director's Report
For the period ended 31 March 2023

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

Director's responsibilities statement

The director is responsible for preparing the Group strategic report, the Director's report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the 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 company and the Group 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 will continue in business.

The director is 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 the Group and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The director is responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Director's reports may differ from legislation in other jurisdictions.

Results and dividends

The profit for the period, after taxation and minority interests, amounted to £2,945,369 (2022 - £1,616,346).

The director has not recomended a dividend (2022: £Nil).

Director

The director who served during the period was:

John Lister

Future developments

The director plans to continue its current activities.

Director's Report (continued)
For the period ended 31 March 2023

Political contributions

There were no political contributions made during the financial period.

Engagement with employees

During the year, the policy of providing employees with information about the Group continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the Group's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

Engagement with suppliers, customers and others

Our strategy prioritises growth and expansion of services. We continue to target new customers into the Group. To do this, we have developed and nurtured strong customer relationships.

We value all of our suppliers and have multi-year contracts in place with a number of our key suppliers.

Disabled Employees

The Group gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group does not report under SECR as none of its subsidary undertakings are large companies. The parent company is exempt from reporting as it is a low energy user comsuming less than 40MWh per annum.

Matters covered in the strategic report

Under Schedule 7.1A of "Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 the group has elected to disclose the following Director's Report information in the Strategic Report:

- Principal activities and business review;
- Principal risks and uncertainties; and
- Financial key performance indicators.

Disclosure of information to auditor

The director at the time when this Director's report is approved has confirmed that:

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

Post balance sheet events

There are no post balance sheet events of note.

Director's Report (continued)
For the period ended 31 March 2023

Auditor

The auditor, Grant Thornton (NI) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 18 December 2023 and signed on its behalf.

John Lister
Director

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Independent Auditor's Report to the Members of Coinstone Limited

Opinion

We have audited the financial statements of Coinstone Limited (the 'parent company') and its subsidiaries (the 'Group'), which comprise the Consolidated Statement of comprehensive income, the Consolidated and company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and company Statement of changes in equity for the period ended 31 March 2023, and the related 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, Coinstone Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Group's and the company as at 31 March 2023 and of the Group financial performance and cash flows for the period then ended; 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 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Group and company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. 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 or the parent company's ability to continue as a going concern for a period of at least twelve months from the date 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.

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Independent Auditor's Report to the Members of Coinstone Limited (continued)

Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Director's report and the Strategic Report. The director are responsible for the other information. Our opinion on the financial statements does not cover the 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 in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Director's report and the Strategic Report for the period for which the financial statements are prepared is consistent with the financial statements, and
- the Director's report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment we have obtained in the course of the audit, we have not identified material misstatements in the Director's report and the Strategic 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

GrantThornton

Independent Auditor's Report to the Members of Coinstone Limited (continued)

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is responsible for assessing the Group and 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 management either intend to liquidate the Group and company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and company's financial reporting process.

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Independent Auditor's Report to the Members of Coinstone Limited (continued)

Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor 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 their 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.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud
Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Data Privacy laws, Employment laws, Environmental Regulations and Health and Safety laws, 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 Companies Act 2006 and applicable tax laws. The Audit engagement partner considered the experience and expertise of the engagement team to ensure that the team had appropriate competence and capabilities to identify or recognise non-compliance with the laws and regulation. 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 manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions.

We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the group's regulatory and legal correspondence and review of minutes of the board of directors meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;

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Independent Auditor's Report to the Members of Coinstone Limited (continued)

- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including estimating the useful life of tangible fixed assets, estimating an allowance for the impairment of debtors and stock, and estimating an allowance for the impairment of investments; and
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

The purpose of our audit work and to whom we owe our responsibilities

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.

Bronagh Bourke FCA (Senior Statutory Auditor)

for and on behalf of
Grant Thornton (NI) LLP

Chartered Accountants & Statutory Auditors

Belfast

18 December 2023

Consolidated Statement of Comprehensive Income

For the period ended 31 March 2023

	Note	2023 £	2022 £
Turnover		**49,763,867**	43,408,808
Cost of sales		**(34,553,884)**	(30,261,034)
Gross profit		**15,209,983**	13,147,774
Distribution costs		**(2,339,648)**	(2,320,598)
Administrative expenses		**(12,280,407)**	(9,715,539)
Other operating income	5	**501,757**	631,711
Operating profit	6	**1,091,685**	1,743,348
Joint venture share of profits		**13,690**	-
Profit on disposal of investments	12	**1,939,805**	-
Interest receivable and similar income	9	**112,565**	15,713
Interest payable and similar expenses	10	**(40,885)**	(46,527)
Profit before taxation		**3,116,860**	1,712,534
Tax on profit	13	**(171,491)**	(96,188)
Profit for the financial period		**2,945,369**	1,616,346
Profit for the period attributable to:			
Non-controlling interests		**(11,984)**	34,702
Owners of the parent company		**2,957,353**	1,581,644
		2,945,369	1,616,346

There was no other comprehensive income for 2023 (2022:£NIL).

All amounts relate to continuing operations.

The notes on pages 18 to 45 form part of these financial statements.

Coinstone Limited

Registered number:1850620

Consolidated Statement of Financial Position

As at 31 March 2023

	Note		31 March 2023 £		1 April 2022 £
Fixed assets					
Intangible assets	14		16,871		(25,431)
Tangible assets	15		19,337,640		18,621,974
Investments	16		44,090		150,345
			19,398,601		18,746,888
Current assets					
Stocks	17	2,435,080		2,016,492	
Debtors: amounts falling due within one year	18	8,850,896		6,754,652	
Cash at bank and in hand	19	10,371,683		10,312,879	
		21,657,659		19,084,023	
Creditors: amounts falling due within one year	20	(8,430,389)		(7,748,135)	
Net current assets			13,227,270		11,335,888
Total assets less current liabilities			32,625,871		30,082,776
Creditors: amounts falling due after more than one year	21		(968,234)		(1,347,095)
Provisions for liabilities					
Deferred taxation	24	(758,099)		(781,512)	
			(758,099)		(781,512)
Net assets			30,899,538		27,954,169
Capital and reserves					
Called up share capital	26		102		102
Share premium account	27		21,235		21,235
Other reserve	27		2,297,745		2,297,745
Profit and loss account	27		27,783,285		24,825,932
Equity attributable to owners of the parent company			30,102,367		27,145,014
Non-controlling interests			797,171		809,155
Shareholders' funds			30,899,538		27,954,169

Consolidated Statement of Financial Position (continued)

As at 31 March 2023

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2023

John Lister
Director

The notes on pages 18 to 45 form part of these financial statements.

Coinstone Limited

Registered number:1850620

Company Statement of Financial Position

As at 31 March 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	15		**433,445**		433,445
Investments			**8,999,398**		9,119,843
			9,432,843		9,553,288
Current assets					
Debtors: amounts falling due within one year	18	**2,517,311**		3,131,251	
Cash at bank and in hand	19	**7,625,372**		4,690,713	
		10,142,683		7,821,964	
Creditors: amounts falling due within one year	20	**(3,224,401)**		(3,308,599)	
Net current assets			**6,918,282**		4,513,365
Total assets less current liabilities			**16,351,125**		14,066,653
Net assets			**16,351,125**		14,066,653
Capital and reserves					
Called up share capital	26		**102**		102
Profit and loss account	27		**16,351,023**		14,066,551
Shareholders' funds			**16,351,125**		14,066,653

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 18 December 2023.

John Lister
Director

The notes on pages 18 to 45 form part of these financial statements.

Consolidated Statement of Changes in Equity

For the period ended 31 March 2023

	Called up share capital	Share premium account	Revaluation reserve	Profit and loss account	Non-controlling interests	Total equity
	£	£	£	£	£	£
At 26 March 2021	102	21,235	2,297,745	23,244,288	-	25,563,370
Profit for the period	-	-	-	1,581,644	34,702	1,616,346
Arising on acquisition	-	-	-	-	774,453	774,453
At 1 April 2022	102	21,235	2,297,745	24,825,932	809,155	27,954,169
Profit/(loss) for the period	-	-	-	2,957,353	(11,984)	2,945,369
At 31 March 2023	102	21,235	2,297,745	27,783,285	797,171	30,899,538

The notes on pages 18 to 45 form part of these financial statements.

Company Statement of Changes in Equity

For the period ended 31 March 2023

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 26 March 2021	102	14,049,868	14,049,970
Profit for the period	-	16,683	16,683
At 1 April 2022	102	14,066,551	14,066,653
Profit for the period	-	2,284,472	2,284,472
At 31 March 2023	102	16,351,023	16,351,125

The notes on pages 18 to 45 form part of these financial statements.

Consolidated Statement of Cash Flows

For the period ended 31 March 2023

	31 March 2023 £	1 April 2022 £
Cash flows from operating activities		
Profit for the financial period	**2,945,369**	1,616,346
Adjustments for:		
Amortisation of intangible assets	**431**	415
Depreciation of tangible assets	**1,654,846**	1,439,223
Profit on disposal of tangible assets	**(6,169)**	(31,000)
Interest payable	**40,885**	46,527
Interest receivable	**(112,565)**	(15,713)
Taxation charge	**171,491**	96,188
(Increase) in stocks	**(418,588)**	(269,847)
(Increase) in debtors	**(2,096,244)**	(650,351)
Increase in creditors	**1,008,755**	895,104
Share of profit in joint ventures	**(13,690)**	-
Corporation tax (paid)/received	**(579,273)**	13,839
Profit on disposal of investments	**(1,939,805)**	-
Net cash generated from operating activities	**655,443**	3,140,731
Cash flows from investing activities		
Purchase of intangible fixed assets	**(42,733)**	-
Purchase of tangible fixed assets	**(2,377,843)**	(2,134,413)
Sale of tangible fixed assets	**13,500**	39,400
Purchase of share in joint ventures	**(500)**	-
Interest received	**112,565**	15,713
HP interest paid	**(25,477)**	(33,955)
Income from disposal of investments	**2,060,250**	-
Net cash aquired with subsidiary undertaking	-	1,284,564
Aquisition of subsidiary	-	(55,000)
Net cash outflow from investing activities	**(260,238)**	(883,691)
Cash flows from financing activities		
Repayment of loans	**(218,148)**	(180,250)
Net new finance leases	**(100,818)**	(95,977)
Interest paid	**(17,435)**	(12,572)
Net cash outflow financing activities	**(336,401)**	(288,799)
Net increase in cash and cash equivalents	**58,804**	1,968,241

Consolidated Statement of Cash Flows (continued)
For the period ended 31 March 2023

	31 March 2023 £	1 April 2022 £
Cash and cash equivalents at beginning of period	10,312,879	8,344,638
Cash and cash equivalents at the end of period	10,371,683	10,312,879
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	10,371,683	10,312,879
	10,371,683	10,312,879

Consolidated Analysis of Net Cash
For the period ended 31 March 2023

	At 2 April 2022 £	Cash flows £	New finance leases £	At 31 March 2023 £
Cash at bank and in hand	10,312,879	58,804	-	10,371,683
Debt due after 1 year	(296,481)	188,148	-	(108,333)
Debt due within 1 year	(160,000)	30,000	-	(130,000)
Finance leases	(749,123)	262,894	(162,076)	(648,305)
	9,107,275	539,846	(162,076)	9,485,045

The notes on pages 18 to 45 form part of these financial statements.

Notes to the Financial Statements
For the period ended 31 March 2023

1. General information

Coinstone Limited is a company incorporated in the UK. The principal activity of the company is that of a holding company. The registered office of the company is Long Newton, Tetbury, Gloucester, GL8 8RP, UK.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notifications of, and no objections to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions in its individual financial statements:

- from preparing a statement of cashflows, on the basis that it is a qualifying entity and the consolidated statement of cashflows, included in these financial statements, includes the Company's cashflow;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18 (c), 26.19, 26.21 and 26,23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.3 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated statement of financial position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.4 Revenue

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

Sale of goods

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

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.5 Intangible fixed assets and amortisation

Positive purchased goodwill arising on acquisitions is capitalised, classified as an asset on the Statement of Financial Position and amortised over its estimated useful life up to a maximum of 10 years. This length of time is presumed to be the maximum useful life of purchased goodwill as it is difficult to make projections beyond this period. Goodwill is to be reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value will not be recoverable.

Negative goodwill is capitalised and recognised in the profit and loss account in the periods in which the non-monetary assets are recovered, which is considered to be five years.

Development costs are initially recognised at cost. After recognition, under the cost model, development costs are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is calculated so as to write off the cost of an asset, less it estimated residual value, over the useful economic life of that asset.

Amortisation is provided at the following rates:

Development costs - 20% straight line
Positive goodwill - 10% straight line
Negative goodwill - 20% straight line

2.6 Tangible fixed assets

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

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Long-term leasehold property	- 10 - 14% straight line
Plant and machinery	- 5% - 50% straight line
Other assets	- 20% - 25% straight line
Assets under construction	- Not depreciated
Land	- Not depreciated

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

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

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight line basis over the lease term.

2.8 Operating leases: the Group as lessor

Rentals income from operating leases is credited to the Consolidated statement of comprehensive income on a straight line basis over the term of the relevant lease.

2.9 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.10 Investment property

Investment property is carried at fair value determined annually by the director or external valuer and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.11 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.12 Stocks

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

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated statement of comprehensive income.

2.13 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.14 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.16 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.17 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated statement of comprehensive income in the same period as the related expenditure.

2.18 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.19 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.20 Dividends

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.21 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.22 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.23 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.24 Provisions for liabilities

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

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

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

Notes to the Financial Statements
For the period ended 31 March 2023

2. Accounting policies (continued)

2.25 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company and the Group operate and generate income.

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2.26 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from three to six years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

Notes to the Financial Statements

For the period ended 31 March 2023

3. Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

Providing allowance for slow-moving and obsolete inventory
Management evaluates the realisablitity of inventory on a case-by-case basis and make adjustments to inventory provision based on an analysis of the historical usage of the individual inventory items. The group's core business is subject to market changes which may cause inventory obsolscence and is considered a key source of estimation uncertainty.

Allowance for impairment of trade debtors
The group estimates the allowance for doubtful trade receivable based on assessment of specific accounts where the group has objective evidence comprising default in payment terms or significant financial difficulty that certain customers are unable to meet their financial obligations. In these cases, judgment used was based on the best available facts and circumstances including but not limited to, the length of relationship.

Estimating useful lives of tangible fixed assets
The group's estimates the useful lives of tangible fixed assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commerical obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of tangible fixed assets is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above. Based on management's assessment as at 31 March 2023 and 1 April 2022, there is no change in the estimated useful lives of tangible assets during those years.

Provision for impairment of investments
Determining whether the carrying value of the financial assets have been impaired requires an estimation of the value in use of the company's investment in subsidiaries. The value in use calculation requires the directors to estimate the future cash flows expected to arrive from these assets and a suitable discount in order to calculate present value. After reviewing these calculations, the directors have determined that £Nil impairment has arisen.

4. Turnover

Analysis of turnover by country of destination:

	2023	2022
	£	£
United Kingdom	**48,465,010**	41,860,686
Rest of Europe	**411,573**	450,351
Rest of the world	**887,284**	1,097,771
	49,763,867	43,408,808

The whole of the turnover is attributable to the group's principal activities.

Notes to the Financial Statements
For the period ended 31 March 2023

5. Other operating income

	2023 £	2022 £
Government grants receivable	**482,826**	616,437
Other operating income	**18,931**	15,274
	501,757	631,711

6. Operating profit

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

	2023 £	2022 £
Research & development charged as an expense	**9,985**	2,283
Depreciation of tangible fixed assets	**1,654,846**	1,439,223
Profit on disposal of tangible fixed assets	**(6,169)**	(31,000)
Fees payable to the Group's auditor and its associates for the audit of the company's annual financial statements	**62,000**	52,000
Amortisation of intangible assets - positive goodwill	**27,086**	27,086
Amortisation of intangible asset - negative goodwill	**(26,671)**	(26,671)
Exchange differences	**5,725**	4,518
Amortisation of intangible assets - other	**16**	-
Operating lease rentals	**1,015,627**	548,535
Fees payable to associates of the Group auditor	**18,500**	18,500
Loss/(profit) on disposal of investments	**-**	-

Notes to the Financial Statements
For the period ended 31 March 2023

7. Employees

The average monthly number of employees, including the director, during the period was as follows:

	2023 No.	2022 No.
Number of production staff	305	306
Number of administrative staff	8	8
Number of management staff	9	9
	322	323

Staff costs, including director remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	8,590,665	7,311,810
Social security costs	817,369	600,300
Cost of defined contribution scheme	151,308	125,832
	9,559,342	8,037,942

8. Director's remuneration

	2023 £	2022 £
Director's emoluments	63,311	63,937
Directors pension costs	1,810	3,125
	65,121	67,062

During the financial period retirement benefits were accruing to 1 director (2022 - 1) in respect of defined contribution pension schemes.

Notes to the Financial Statements

For the period ended 31 March 2023

9. Interest receivable

	2023	2022
	£	£
Bank and other interest receivable	**112,565**	15,713
	112,565	15,713

10. Interest payable and similar expenses

	2023	2022
	£	£
Bank interest payable	**14,630**	11,849
Preference share dividends	**778**	723
Finance leases and hire purchase contracts	**25,477**	33,955
	40,885	46,527

11. Parent Company profit for the period

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The profit after tax of the parent company for the financial period was £2,284,472 (2022 - £16,683).

12. Profit on disposal

During the period, the company disposed of investments giving rise to a profit on disposal of £1,939,805.

Notes to the Financial Statements

For the period ended 31 March 2023

13. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	**295,191**	285,044
Adjustments in respect of previous periods	**(100,286)**	2,032
	194,905	287,076
Total current tax	**194,905**	287,076
Deferred tax		
Origination and reversal of timing differences	**(23,414)**	57,408
Adjustments in respect of previous periods	**-**	(494,368)
Effect of tax rate change on opening balance	**-**	246,072
Total deferred tax	**(23,414)**	(190,888)
Taxation on profit on ordinary activities	**171,491**	96,188

Notes to the Financial Statements

For the period ended 31 March 2023

13. Taxation (continued)

Factors affecting tax charge for the financial period

The tax assessed for the financial period is lower than (2022 - lower than) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023	2022
	£	£
Profit on ordinary activities before tax	**3,116,860**	1,712,534
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	**592,203**	325,381
Effects of:		
Expenses not deductible for tax purposes	**47,523**	5,364
Utilisation of tax losses	**-**	(1,338)
Non-deductible goodwil amortisation	**79**	79
Adjustments to tax charge in respect of prior periods	**(100,286)**	2,032
Non-taxable income	**(376,899)**	(5,408)
Fixed asset timing differences	**(81,745)**	10,794
Utilisation of available tax losses	**133**	-
Other timing differences	**35,098**	78,830
Losses carried forward	**55,385**	-
Deferred tax asset not previously recognised	**-**	(494,368)
Remeasurement of deferred tax rate	**-**	174,822
Total tax charge for the period	**171,491**	96,188

Factors that may affect future tax charges

The standard rate of UK Corporation Tax is to remain at 19% until 31 March 2023. The Finance Act 2021 states that this rate is to be increased from 19% to 25% from 1 April 2023. In summary, the rate of corporation tax from 1 April 2023 will increase to 25% for companies generating taxable profits of more than £250,000.

The current 19% tax rate will continue to apply to 'small' companies with profits less than £50,000, with a 'taper relief rate' for those companies with profits between the new thresholds. Deferred tax assets and liabilities have been recognised at using the tax rates applicable for the date the assets and liabilities are expected to reverse.

Notes to the Financial Statements
For the period ended 31 March 2023

14. Intangible assets

Group

	Development costs £	Negative goodwill £	Positive goodwill £	Total £
Cost				
At 2 April 2022	-	(849,063)	907,787	58,724
Additions	42,733	-	-	42,733
At 31 March 2023	42,733	(849,063)	907,787	101,457
Amortisation				
At 2 April 2022	-	(742,379)	826,534	84,155
Charge for the period	16	(26,671)	27,086	431
At 31 March 2023	16	(769,050)	853,620	84,586
Net book value				
At 31 March 2023	42,717	(80,013)	54,167	16,871
At 1 April 2022	-	(106,684)	81,253	(25,431)

Notes to the Financial Statements
For the period ended 31 March 2023

15. Tangible fixed assets

Group

	Freehold property £	Leasehold property £	Plant and machinery £	AUC £	Other assets £	Total £
Cost or valuation						
At 2 April 2022	10,567,139	2,362,171	13,124,977	1,136,367	3,425,072	30,615,726
Additions	704,835	4,907	407,576	51,175	1,209,350	2,377,843
Disposals	-	-	(41,090)	-	(33,835)	(74,925)
Transfers between classes	273,161	-	-	(515,966)	242,805	-
At 31 March 2023	11,545,135	2,367,078	13,491,463	671,576	4,843,392	32,918,644
Depreciation						
At 2 April 2022	1,338,186	675,355	7,388,265	-	2,591,946	11,993,752
Charge for the period	177,837	206,498	946,548	-	323,963	1,654,846
Disposals	-	-	(41,090)	-	(26,504)	(67,594)
At 31 March 2023	1,516,023	881,853	8,293,723	-	2,889,405	13,581,004
Net book value						
At 31 March 2023	10,029,112	1,485,225	5,197,740	671,576	1,953,987	19,337,640
At 2 April 2022	9,228,953	1,686,816	5,736,712	1,136,367	833,126	18,621,974

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold	10,029,112	9,228,953
Long leasehold	1,485,225	1,686,816
	11,514,337	10,915,769

Hire purchase and finance lease agreements
Included within the net book value of £19,337,640 is £951,748 (2022: £963,537) relating to assets held under hire purchase agreements and finance lease agreements. The depreciation charged in the year in respect of assets held under hire purchase agreements and finance lease agreements amounted to £206,752 (2022: £216,789).

Notes to the Financial Statements
For the period ended 31 March 2023

15. Tangible fixed assets (continued)

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	31 March 2023 £	1 April 2022 £
Group		
Cost	**919,157**	919,157
Accumulated depreciation	**(487,481)**	(468,830)
Net book value	**431,676**	450,327

The freehold properties were revalued prior to the transition to FRS102. Upon transition, the carrying value of the revalued properties were deemed to be the cost value.

Company

	Freehold property £
Cost or valuation	
At 2 April 2022	**433,445**
At 31 March 2023	**433,445**
Net book value	
At 31 March 2023	**433,445**
At 1 April 2022	433,445

Notes to the Financial Statements
For the period ended 31 March 2023

16. Fixed asset investments

Group

	Unlisted investments £	Investment in joint ventures £	Total £
Cost or valuation			
At 1 April 2022	150,345	-	150,345
Additions	-	500	500
Disposals	(120,445)	-	(120,445)
Share of profit/(loss)	-	13,690	13,690
At 31 March 2023	29,900	14,190	44,090
Net book value			
At 31 March 2023	29,900	14,190	44,090
At 1 April 2022	150,345	-	150,345

Notes to the Financial Statements

For the period ended 31 March 2023

16. Fixed asset investments (continued)

Company

	Investments in subsidiary companies	Unlisted investments	Total
	£	£	£
Cost or valuation			
At 1 April 2022	11,061,783	150,345	11,212,128
Disposals	-	(120,445)	(120,445)
At 31 March 2023	11,061,783	29,900	11,091,683
Impairment			
At 1 April 2022	2,092,285	-	2,092,285
At 31 March 2023	2,092,285	-	2,092,285
Net book value			
At 31 March 2023	8,969,498	29,900	8,999,398
At 1 April 2022	8,969,498	150,345	9,119,843

All of the subsidiaies, as listed below, have been consolidated in the group financial statements.

In the opinion of the director, at the balance sheet date, the value of the financial fixed asset investments are not less than their book value noted.

Notes to the Financial Statements

For the period ended 31 March 2023

16. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Shipton Mill Limited	England and Wales	Flour milling	Ordinary	100%
The Celtic Bakers	England and Wales	Bakers of speciality breads	Ordinary	100%
PM Corporation Limited	England and Wales	Bakers of speciality breads	Ordinary	100%
Advanced Fuel Technologies UK Limited	England and Wales	Development of advanced fuel systems	Ordinary	100%
Shiptinvest Limited	England and Wales	Investment holding company	Ordinary	100%
Shiptinvest No. 1 Limited	England and Wales	Dormant	Ordinary	100%
Fingold Limited (indirect)	England and Wales	Investment holding company	Ordinary	100%
Bibury Court Limited (indirect)	England and Wales	Investment holding company	Ordinary	100%
The Heath Street Bakehouse Limited (indirect)	England and Wales	Investment holding company	Ordinary	100%
Savour Cafe Limited	England and Wales	Sale of food in specialised stores	Ordinary	50.41%

The registered office of all of the subsidiary undertakings listed above is Long Newnton, Tetbury, Gloucestershire, GL8 8RP except for Savour Cafe Limited whose registered office is 1 Brassey Road, Old Potts Way, Shrewsbury, Shropshire, SY3 7FA.

Joint venture

The following was a joint venture of the company:

Name	Registered office	Principal activity	Class of shares	Holding
Good Grain Bakery 2.0 Limited	England and Wales	Bakers	Ordinary	50%

Notes to the Financial Statements
For the period ended 31 March 2023

17. Stocks

	Group 31 March 2023 £	Group 1 April 2022 £
Raw materials and consumables	**936,426**	940,284
Finished goods and goods for resale	**1,498,654**	1,076,208
	2,435,080	2,016,492

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 31 March 2023 £	Group 1 April 2022 £	Company 31 March 2023 £	Company 1 April 2022 £
Trade debtors	**6,593,032**	4,362,039	-	-
Amounts owed by group undertakings	-	-	**2,330,811**	2,930,811
Amounts owed by related party undertakings	-	184,392	-	-
Other debtors	**984,608**	913,406	**139,512**	200,440
Prepayments and accrued income	**551,660**	621,134	**46,988**	-
VAT repayable	**345,374**	256,656	-	-
Grants receivable	**376,222**	417,025	-	-
	8,850,896	6,754,652	**2,517,311**	3,131,251

Amounts owed by group undertaking are unsecured, interest free and repayable on demand, except those which are considered financing in nature; such loans have a market rate of interest applied and are classified as non-current where repayment is greater than one year.

19. Cash and cash equivalents

	Group 31 March 2023 £	Group 1 April 2022 £	Company 31 March 2023 £	Company 1 April 2022 £
Cash at bank and in hand	**10,371,683**	10,312,879	**7,625,372**	4,690,713
	10,371,683	10,312,879	**7,625,372**	4,690,713

Notes to the Financial Statements

For the period ended 31 March 2023

20. Creditors: Amounts falling due within one year

	Group 31 March 2023 £	Group 1 April 2022 £	Company 31 March 2023 £	Company 1 April 2022 £
Bank loans	**130,000**	160,000	**-**	-
Trade creditors	**5,897,389**	5,105,649	**1,529,376**	1,608,993
Amounts owed to group undertakings	**-**	-	**1,677,855**	1,699,606
Amounts owed to related parties	**-**	418,641	**-**	-
Corporation tax	**34,273**	-	**6,051**	-
Other taxation and social security	**235,715**	162,615	**-**	-
Obligations under finance lease and hire purchase contracts	**312,329**	262,192	**-**	-
Other creditors	**228,424**	125,276	**-**	-
Accruals and deferred income	**1,592,259**	1,513,762	**11,119**	-
	8,430,389	7,748,135	**3,224,401**	3,308,599

Amounts owed to group undertakings are unsecured, interest free and repayable on demand, except those which are considered financing in nature; such loans have a market rate of interest applied.

Trade and other creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Corporation tax and other taxes including social insurance are repayable at various dates over the coming months in accordance with the applicable statutory provisions.

Secured loans

The bank loans are secured by way of a first legal charge over the Land and Buildings North Side of Bridge Road, Frampton on Severn; a first legal charge over Shipton Mill, Long Newnton, Tetbury and its associated assets; and a debenture over the borrower's entire assets and undertakings.

The hire purchase and finance leases obligations are secured over the assets to which they relate.

Notes to the Financial Statements
For the period ended 31 March 2023

21. Creditors: Amounts falling due after more than one year

	Group 31 March 2023 £	Group 1 April 2022 £
Bank loans	**108,333**	296,481
Net obligations under finance leases and hire purchase contracts	**335,976**	486,931
Government grants received	**514,359**	554,895
Accruals and deferred income	**9,566**	8,788
	968,234	1,347,095

Government grants are amortised over the life of the asset to which it relates. Included within the terms of the grant awarded, is the clause that Shipton Mill Limited must retain ownership of the mill and it must be maintained for the purpose and manner for which it was intended; this clause expires June 2026. At the balance sheet date, the company continues to be compliant with the terms of the grant and there are no indications that this will change in the foreseeable future. As such, no contingent liability has been recorded.

22. Loans

Analysis of the maturity of loans is given below:

	Group 31 March 2023 £	Group 1 April 2022 £
Amounts falling due within one year		
Bank loans	**130,000**	160,000
	130,000	160,000
Amounts falling due 1-2 years		
Bank loans	**108,333**	296,481
	108,333	296,481
Total bank loans	**238,333**	456,481

Notes to the Financial Statements
For the period ended 31 March 2023

23. Hire purchases and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 31 March 2023 £	Group 1 April 2022 £
Within one year	312,329	262,192
Between 1-5 years	335,976	486,931
	648,305	749,123

Assets held under hire purchase leases are secured upon the asset to which they relate.

24. Deferred taxation

Group

	2023 £
At beginning of year	(781,513)
Charged to profit or loss	23,414
At end of year	(758,099)

	Group 31 March 2023 £	Group 1 April 2022 £
Fixed asset timing differences	(982,547)	(1,084,170)
Trading losses	397,494	-
Deferred capital gains	(255,561)	227,968
Short term timing differences	82,515	74,689
	(758,099)	(781,513)

Notes to the Financial Statements

For the period ended 31 March 2023

25. Financial instruments

	Group 31 March 2023 £	Group 1 April 2022 £
Financial assets		
Financial assets measured at fair value through profit or loss	**10,371,683**	10,312,879
Financial liabilities		
Financial liabilities measured at fair value through profit or loss	**(1,493)**	3,946

Financial assets measured at fair value comprise cash at bank and in hand.

Financial liabilities measured at fair value comprise forward currency contracts.

26. Share capital

	31 March 2023 £	1 April 2022 £
Shares classified as equity		
Authorised, allotted, called up and fully paid		
2 (2022 - 2) 'A' shares of £1.00 each	**2**	2
100 (2022 - 100) 'B' shares of £1.00 each	**100**	100
	102	102

27. Reserves

Other reserve
Other reserve comprises revaluations recorded prior to transition to FRS 102 with respect to freehold property.

Profit and loss account
Represents all current and prior period retained profits and losses.

Called-up share capital
Represents the nominal value of shares that have been issued.

Share premium account
Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

28. Contingent liabilities

Handelsbanken Bristol holds letters of guarantee in favour of HM Customs and Excise and the Rural Payments Agency to the value of £72,500 (2022: £72,500).

29. Pension commitments

The group operates a defined contribution scheme. At the year end, included in the financial statements, there was £32,701 (2022: £29,047) amounts outstanding.

30. Commitments under operating leases

At 31 March 2023 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 31 March 2023 £	Group 1 April 2022 £
Not later than 1 year	**533,332**	534,332
Later than 1 year and not later than 5 years	**2,133,328**	2,137,328
Later than 5 years	**3,293,922**	3,833,321
	5,960,582	6,504,981

31. Other financial commitments

At 31 March 2023, the group had use of forward currency contracts in the normal course of business to hedge exchange risk on anticipated foreign currency payments. At the period end the company has committed to contracts, which are denominated in Euro and US dollar, to the value of £352,255 (2022: £144,168). A fair value loss on revaluation of £1,493 (2022: £3,946) at the balance sheet date is included within other creditors.

32. Post balance sheet events

There is no post balance sheet events of note.

Notes to the Financial Statements
For the period ended 31 March 2023

33. Related party transactions

The group has availed of the exemptions in FRS102 Section 33, Paragraph 33.1A which allows non disclosure of transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

During the period Coinstone Limited charged interest of £4,529 (2022: £2,777) to Advance Fuel Technologies Limited, in respect of preference share dividends.

In the prior year, included within amounts owed by related party undertakings was an amount owing from Peter's Yard Wholesale Limited totalling £184,892 in respect of sales and services. The company was related by virtue of common directorship and ultimate common shareholding. During the period, Peter's Yard Wholesale Limited ceased to be a related party of the group. Up until the date of disposal, the group recorded £649,993 (2022: £2,816,455) of sales to Peter's Yard Wholesale Limited.

At 31 March 2023, included in the amounts owed by related party undertaking is an amount owing by Saviour Cafe Limited, an entity under common interest with the parent company of £3,649 (2022: £Nil). The balance arose due to total sales and recharges of £41,961 (2022: £40,822) incurred during the period.

At 31 March 2023, included in other creditors is an amount owing to the director totalling £2,861 (2022: £1,439).

34. Comparative information

Comparative information has been reclassified where necessary to confirm current financial period presentation.

35. Controlling party

The ultimate controlling party is the Shipton Mill Settlement Trust 2001.

36. Parental guarantee

Coinstone Limited has guaranteed the liabilities of Heath Street Bakehouse Limited, a company incorporated in England, for the year ended 31 March 2023. The Heath Street Bakehouse Limited (company number 12145706) has c;laimed exemption from audit under section 479A of the Companies Act 2006.