

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021  
FOR  
DIRECT PRESS MARKETING LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2021**

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**DIRECT PRESS MARKETING LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 MARCH 2021**

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**DIRECTORS:**

D Beckett  
D M Grace  
M S Sheldrick

**SECRETARY:**

M S Sheldrick

**REGISTERED OFFICE:**

6 Churchill Court  
Hortons Way  
Westerham  
Kent  
TN16 1BT

**REGISTERED NUMBER:**

03613183 (England and Wales)

**AUDITORS:**

McKenzies  
Chartered Accountants  
Statutory Auditors  
2 Station Road West  
Oxted  
Surrey  
RH8 9EP

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 MARCH 2021**

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The Strategic Report provides a review of the business for the financial year and describes how we manage risks within the business. The report outlines the developments and performance of the Company during the financial year and discusses the main trends and factors that could affect the future.

**REVIEW OF BUSINESS**

The principle of activity of the company was that of supplying equipment to the graphic arts industry, in particular that of used printing presses and ancillary equipment. The company offers equipment to the market either as a principal, buying and selling on its own account, or as an agent for other owners of equipment.

The Directors are satisfied with the current performance of the company. The 2021 trading year saw a decrease in turnover due to the impacts of the coronavirus pandemic, the downturn was anticipated however the company remained very competitive and has maintained its profit margins by selecting optimum trading opportunities and conservative budget forecasting. They are confident that the Company continues to be perceived in the industry, both at home and overseas, as one of the major suppliers of quality used graphic machinery.

**COVID-19**

At the time of this review, the Directors wish to highlight the coronavirus pandemic and how this has impacted the 2021 trading year and will likely impact on future revenues and profits of the company. The Directors believe they have acted responsibly in the face of unprecedented risks, supporting staff, maintaining safety and maintaining key customer relationships at this critical time. The company had begun to explore other areas for revenue generation, but the company's joint venture activities are still strong. However, no sector is immune from being impacted and the company remains open to work in all sectors wherever it can balance risk. It is envisaged that 2022 revenue will improve on the 2021 figures and the business is expected to continue to grow and be profitable as the underlying strength of the company remains undiminished.

The key financial performance indicators for the year ended 31 March 2021 are set out below:

Turnover:	2021: £13.18m	2020: £20.35m
Gross Profit:	2021: £1.02m	2020: £1.32m
EBITDA:	2021: £0.25m	2020: £0.32m

**PRINCIPAL RISKS AND UNCERTAINTIES**

The Directors have a strong emphasis on risk management which endeavours to identify and manage all business risks.

**Strategic and Commercial Risk**

There are risks of changes to the competitive and economic environment. This is mitigated by a robust strategy and planning process, and regular monitoring of the economic and competitive environment.

**Financial Risk**

There is a risk of reducing business value or earning capacity as well as risk of inadequate cash flow to meet financial obligations. This risk is mitigated by proactive management of the business plan, regular monitoring of cash flows and close relationships with importance stakeholders within the business.

**Operational Risk**

This is a risk of losses arising from inadequate or failed internal processes, from personnel and external events. These are mitigated by regularly monitoring the business risk register against occurring events and business continuity planning.

**ON BEHALF OF THE BOARD:**

M S Sheldrick - Director

18 October 2021

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

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

**DIVIDENDS**

Interim dividends per share were paid as follows:

Ordinary B 0.01 shares £45.79 , Ordinary C 0.01 shares £10.48.

The directors recommend that no final dividends be paid. The total distribution of dividends for the year ended 31 March 2021 will be £315,083.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

D Beckett  
D M Grace  
M S Sheldrick

**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 ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

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

**ON BEHALF OF THE BOARD:**

M S Sheldrick - Director

18 October 2021

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIRECT PRESS MARKETING LIMITED

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### Opinion

We have audited the financial statements of Direct Press Marketing Limited (the 'company') for the year ended 31 March 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 March 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.

### 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF DIRECT PRESS MARKETING LIMITED

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### **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.

### **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.

They are based on our risk assessment that is completed at the planning stage of the audit, which is discussed with the company's management. Testing procedures are based on this risk assessment and are designed to be capable of detecting irregularities.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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.

Colin McCoy BA FCA (Senior Statutory Auditor)  
for and on behalf of McKenzies  
Chartered Accountants  
Statutory Auditors  
2 Station Road West  
Oxted  
Surrey  
RH8 9EP

18 October 2021

**INCOME STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>	3	<b>13,179,172</b>	20,349,273
Cost of sales		<u>12,157,239</u>	<u>19,026,447</u>
<b>GROSS PROFIT</b>		<b>1,021,933</b>	1,322,826
Administrative expenses		<u>992,459</u>	<u>999,640</u>
		<b>29,474</b>	323,186
Other operating income		<u>82,355</u>	-
<b>OPERATING PROFIT</b>	5	<b>111,829</b>	323,186
Interest receivable and similar income		<u>3,145</u>	-
		<b>114,974</b>	323,186
Interest payable and similar expenses	6	<u>20,864</u>	34,146
<b>PROFIT BEFORE TAXATION</b>		<b>94,110</b>	289,040
Tax on profit	7	<u>16,744</u>	59,767
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>77,366</b>	229,273

The notes form part of these financial statements



**OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
<b>PROFIT FOR THE YEAR</b>		<b>77,366</b>	<b>229,273</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation of freehold property		<b>505,700</b>	-
Income tax relating to other comprehensive income		<b>(96,083)</b>	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<b>409,617</b>	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>486,983</b>	<b>229,273</b>

**BALANCE SHEET**  
**31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		1,546,237		1,076,889
Investments	10		<u>202,680</u>		<u>253,524</u>
			<b>1,748,917</b>		<b>1,330,413</b>
<b>CURRENT ASSETS</b>					
Stocks	11	2,917,030		3,854,585	
Debtors	12	1,086,237		1,903,986	
Cash at bank and in hand		<u>3,357,876</u>		<u>1,469,658</u>	
		<b>7,361,143</b>		<b>7,228,229</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>3,718,429</u>		<u>4,803,981</u>	
<b>NET CURRENT ASSETS</b>			<b>3,642,714</b>		<b>2,424,248</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<b>5,391,631</b>		<b>3,754,661</b>
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		(1,679,819)		(303,943)
<b>PROVISIONS FOR LIABILITIES</b>	17		<u>(94,759)</u>		<u>(5,565)</u>
<b>NET ASSETS</b>			<b>3,617,053</b>		<b>3,445,153</b>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		425		425
Capital redemption reserve	19		575		575
Fair value reserve	19		409,617		-
Retained earnings	19		<u>3,206,436</u>		<u>3,444,153</u>
<b>SHAREHOLDERS' FUNDS</b>			<b>3,617,053</b>		<b>3,445,153</b>

The financial statements were approved by the Board of Directors and authorised for issue on 18 October 2021 and were signed on its behalf by:

M S Sheldrick - Director

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Fair value reserve £	Total equity £
<b>Balance at 1 April 2019</b>	425	3,426,662	575	-	3,427,662
<b>Changes in equity</b>					
Dividends	-	(211,782)	-	-	(211,782)
Total comprehensive income	-	229,273	-	-	229,273
<b>Balance at 31 March 2020</b>	425	3,444,153	575	-	3,445,153
<b>Changes in equity</b>					
Dividends	-	(315,083)	-	-	(315,083)
Total comprehensive income	-	77,366	-	409,617	486,983
<b>Balance at 31 March 2021</b>	425	3,206,436	575	409,617	3,617,053

The notes form part of these financial statements

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021**

		2021	2020
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	563,549	189,951
Interest paid		(20,864)	(34,146)
Tax paid		(53,810)	(93,341)
Net cash from operating activities		<u>488,875</u>	<u>62,464</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(16,112)	(58,746)
Purchase of fixed asset investments		-	(50,000)
Sale of tangible fixed assets		11,390	-
Sale of fixed asset investments		50,844	205,633
Interest received		3,145	-
Net cash from investing activities		<u>49,267</u>	<u>96,887</u>
<b>Cash flows from financing activities</b>			
New loans in year		1,750,000	-
Loan repayments in year		(42,309)	(67,326)
Amount introduced by directors		132,103	-
Amount withdrawn by directors		(174,635)	(24,896)
Equity dividends paid		(315,083)	(211,782)
Net cash from financing activities		<u>1,350,076</u>	<u>(304,004)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>1,888,218</u>	<u>(144,653)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	1,469,658	1,614,311
<b>Cash and cash equivalents at end of year</b>	2	<u><u>3,357,876</u></u>	<u><u>1,469,658</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2021

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

	2021	2020
	£	£
Profit before taxation	94,110	289,040
Depreciation charges	41,074	27,493
Finance costs	20,864	34,146
Finance income	(3,145)	-
	<u>152,903</u>	<u>350,679</u>
Decrease/(increase) in stocks	937,555	(301,921)
Decrease in trade and other debtors	834,760	2,376,691
Decrease in trade and other creditors	(1,361,669)	(2,235,498)
<b>Cash generated from operations</b>	<u><b>563,549</b></u>	<u><b>189,951</b></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 March 2021

	31.3.21	1.4.20
	£	£
Cash and cash equivalents	<u>3,357,876</u>	<u>1,469,658</u>

## Year ended 31 March 2020

	31.3.20	1.4.19
	£	£
Cash and cash equivalents	<u>1,469,658</u>	<u>1,614,311</u>

## 3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>1,469,658</u>	<u>1,888,218</u>	<u>3,357,876</u>
	<u>1,469,658</u>	<u>1,888,218</u>	<u>3,357,876</u>
<b>Debt</b>			
Debts falling due within 1 year	(77,417)	(331,815)	(409,232)
Debts falling due after 1 year	(303,943)	(1,375,876)	(1,679,819)
	<u>(381,360)</u>	<u>(1,707,691)</u>	<u>(2,089,051)</u>
<b>Total</b>	<u><b>1,088,298</b></u>	<u><b>180,527</b></u>	<u><b>1,268,825</b></u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

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1. **STATUTORY INFORMATION**

Direct Press Marketing 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.

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 as modified by the revaluation of certain assets.

**Turnover**

Turnover represents amounts receivable for goods and services net of Value Added Tax and trade discounts.

Turnover is recognised when the risks and rewards of goods and services are passed to the customer, generally being on delivery.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- at varying rates on cost
Plant and machinery	- 14% - 25% on cost

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase, together with direct materials and sub-contracted services in bringing each item to its present location and condition. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

**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.

**Foreign currencies**

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

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

## 2. ACCOUNTING POLICIES - continued

**Leased assets**

Where assets are financed under leasing agreements that give rights approximately to ownership (finance leases), the assets are treated as if they have been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account.

Lease payments are analysed between capital and interest components. The interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to profit and loss account on a straight-line basis over the lease term.

Reserve premiums and similar incentives received to enter into operating lease agreements are released to the profit and loss account over the period to the date on which the rent is first expected to be adjusted to the prevailing market.

**Liquid resources**

For the purposes of the cash flow statement, liquid resources are defined as current asset investments and short term deposits.

## 3. TURNOVER

Turnover is wholly attributable to the principal activity of the company.

The analysis of turnover by class of business and geographical location has not been provided as, in the opinion of the directors, such disclosure would seriously prejudicial to the interests of the company.

## 4. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	450,071	461,895
Social security costs	32,444	33,614
Other pension costs	145,429	4,058
	<u>627,944</u>	<u>499,567</u>

The average number of employees during the year was as follows:

	2021	2020
Management	3	3
Administration	7	6
	<u>10</u>	<u>9</u>

	2021	2020
	£	£
Directors' remuneration	189,170	193,395
Directors' pension contributions to money purchase schemes	<u>143,189</u>	<u>1,581</u>

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

	2021	2020
Money purchase schemes	<u>2</u>	<u>1</u>

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

## 5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Other operating leases	14,279	3,807
Depreciation - owned assets	41,074	27,491
Auditors' remuneration	<u>8,000</u>	<u>8,000</u>

## 6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank interest	<u>20,864</u>	<u>34,146</u>

## 7. TAXATION

**Analysis of the tax charge**

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

	2021 £	2020 £
Current tax:		
UK corporation tax	23,633	53,810
Deferred tax	<u>(6,889)</u>	<u>5,957</u>
Tax on profit	<u>16,744</u>	<u>59,767</u>

**Reconciliation of total tax charge included in profit and loss**

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

	2021 £	2020 £
Profit before tax	<u>94,110</u>	<u>289,040</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	17,881	54,918
Effects of:		
Expenses not deductible for tax purposes	1,022	4,849
Capital allowances in excess of depreciation	-	(5,957)
Depreciation in excess of capital allowances	4,730	-
Deferred taxation	<u>(6,889)</u>	<u>5,957</u>
Total tax charge	<u>16,744</u>	<u>59,767</u>

**Tax effects relating to effects of other comprehensive income**

	Gross £	2021 Tax £	Net £
Revaluation of freehold property	<u>505,700</u>	<u>(96,083)</u>	<u>409,617</u>



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

## 8. DIVIDENDS

	2021 £	2020 £
Ordinary B shares of 0.01 each Interim	293,083	190,782
Ordinary C shares of 0.01 each Interim	22,000	21,000
	<u>315,083</u>	<u>211,782</u>

## 9. TANGIBLE FIXED ASSETS

	Freehold property £	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
<b>COST OR VALUATION</b>					
At 1 April 2020	1,169,300	145,392	60,852	21,858	1,397,402
Additions	-	8,980	-	7,132	16,112
Disposals	-	-	(11,390)	-	(11,390)
Revaluations	505,700	-	-	-	505,700
At 31 March 2021	<u>1,675,000</u>	<u>154,372</u>	<u>49,462</u>	<u>28,990</u>	<u>1,907,824</u>
<b>DEPRECIATION</b>					
At 1 April 2020	144,170	125,282	48,947	2,114	320,513
Charge for year	21,134	10,375	515	9,050	41,074
At 31 March 2021	<u>165,304</u>	<u>135,657</u>	<u>49,462</u>	<u>11,164</u>	<u>361,587</u>
<b>NET BOOK VALUE</b>					
At 31 March 2021	<u>1,509,696</u>	<u>18,715</u>	<u>-</u>	<u>17,826</u>	<u>1,546,237</u>
At 31 March 2020	<u>1,025,130</u>	<u>20,110</u>	<u>11,905</u>	<u>19,744</u>	<u>1,076,889</u>

Included in cost or valuation of land and buildings is freehold land of £ 149,420 (2020 - £ 149,420 ) which is not depreciated.

Cost or valuation at 31 March 2021 is represented by:

	Freehold property £	Improvements to property £	Plant and machinery £	Computer equipment £	Totals £
Valuation in 2021	505,700	-	-	-	505,700
Cost	<u>1,169,300</u>	<u>154,372</u>	<u>49,462</u>	<u>28,990</u>	<u>1,402,124</u>
	<u>1,675,000</u>	<u>154,372</u>	<u>49,462</u>	<u>28,990</u>	<u>1,907,824</u>

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

## 10. FIXED ASSET INVESTMENTS

	Interest in other participating interests £
<b>COST</b>	
At 1 April 2020	253,524
Disposals	(50,844)
At 31 March 2021	<u>202,680</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>202,680</u>
At 31 March 2020	<u>253,524</u>

## 11. STOCKS

	2021 £	2020 £
Work-in-progress	141,934	206,165
Stock	<u>2,775,096</u>	<u>3,648,420</u>
	<u>2,917,030</u>	<u>3,854,585</u>

## 12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	665,190	928,606
Other debtors	100	451,303
Directors' current accounts	149,114	132,103
VAT	122,656	3,467
Prepayments and accrued income	<u>149,177</u>	<u>388,507</u>
	<u>1,086,237</u>	<u>1,903,986</u>

## 13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 15)	409,232	77,417
Trade creditors	184,455	1,395,530
Tax	23,628	53,805
Social security and other taxes	20,357	10,859
Other creditors	967,808	1,895,437
Directors' current accounts	27,379	52,900
Accruals and deferred income	<u>2,085,570</u>	<u>1,318,033</u>
	<u>3,718,429</u>	<u>4,803,981</u>

## 14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans (see note 15)	<u>1,679,819</u>	<u>303,943</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 202115. **LOANS**

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand: Bank loans	<u>409,232</u>	<u>77,417</u>
Amounts falling due between one and two years: Bank loans - 1-2 years	<u>482,563</u>	<u>85,158</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>1,037,037</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments Bank loans more 5 yr by instal	<u>160,219</u>	<u>218,785</u>

16. **SECURED DEBTS**

The bank has a legal charge over the freehold property of the company and a first fixed charge over all the assets of the company.

17. **PROVISIONS FOR LIABILITIES**

	2021 £	2020 £
Deferred tax	<u>94,759</u>	<u>5,565</u>
		<b>Deferred tax</b>
		£
Balance at 1 April 2020		5,565
Provided during year		(6,889)
Provision on revaluations		<u>96,083</u>
Balance at 31 March 2021		<u>94,759</u>

18. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid: Number:	Class:	Nominal value:	2021 £	2020 £
34,000	Ordinary A	0.01	<u>340</u>	340
6,375	Ordinary B	0.01	<u>64</u>	64
2,125	Ordinary C	0.01	<u>21</u>	21
			<u>425</u>	<u>425</u>

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

## 19. RESERVES

	Retained earnings £	Capital redemption reserve £	Fair value reserve £	Totals £
At 1 April 2020	3,444,153	575	-	3,444,728
Profit for the year	77,366			77,366
Dividends	(315,083)			(315,083)
Transfer to fair value reserve	-	-	409,617	409,617
At 31 March 2021	<u>3,206,436</u>	<u>575</u>	<u>409,617</u>	<u>3,616,628</u>

## 20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

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

	2021 £	2020 £
<b>M S Sheldrick</b>		
Balance outstanding at start of year	(52,900)	(58,733)
Amounts advanced	52,900	-
Amounts repaid	-	5,833
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>(52,900)</u>
<b>D Beckett</b>		
Balance outstanding at start of year	132,103	113,040
Amounts advanced	149,115	19,063
Amounts repaid	(132,103)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>149,115</u>	<u>132,103</u>

## 21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party, by virtue of shareholdings is M S Sheldrick.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.