

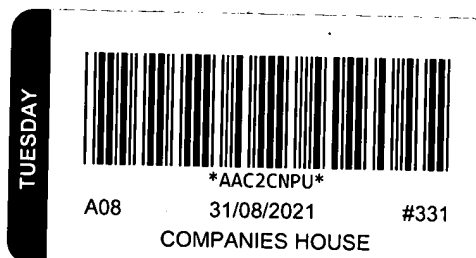
Registration number: 03639100

Caterite Food and Wineservice Limited

Annual Report and Consolidated Financial Statements

for the Year Ended 31 December 2020

Gibbons
Chartered Accountants & Statutory Auditors
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU



Caterite Food and Wineservice Limited

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Caterite Food and Wineservice Limited

Company Information

Directors Mr K A Graham
Mrs S R Hoffmann
Mr L Byrne
Mr T Malik

Company secretary Mrs S R Hoffmann

Registered office Embleton
Cockermouth
Cumbria
CA13 9YA

Bankers Barclays Bank Plc
Market Square
Town Centre
Penrith
Cumbria
CA11 7YB

Auditors Gibbons
Chartered Accountants & Statutory Auditors
Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Caterite Food and Wineservice Limited

Strategic Report for the Year Ended 31 December 2020

The directors present their strategic report for the year ended 31 December 2020.

Principal activity

The principal activity of the company is that of the wholesale of food, wine and catering products to the catering industry.

Fair review of the business

The results of the group are set out in the financial statements and cover the year ended 31 December 2020.

The directors are satisfied with the performance of the business during the course of the coronavirus pandemic. The company remains in a stable financial condition. They believe that the turnover will recover to pre pandemic levels.

The company continues to assess its market position and has sufficient resources to take advantage of any opportunities available to it.

The company's key financial and other performance indicators during the year were as follows:

	Unit	2020	2019
Turnover	£	20,631,117	30,340,370
Turnover growth	%	(32)	14
Gross profit margin	%	31	31
Profit before tax	£	324,808	1,363,626

At the end of the period the net assets totalled £6,982,876 (2019 - £6,899,789).

Caterite Food and Wineservice Limited

Strategic Report for the Year Ended 31 December 2020 (continued)

Principal risks and uncertainties

The company is not immune to risks and has procedures in place aimed to minimise the possibility and scale of specific risks that may impact on the company.

The current Covid-19 pandemic obviously presents a risk to the company's ability to operate. The coronavirus outbreak had a major impact on our business and the sector we work in. Overnight we lost 85% of our trading customers and our revenue stream had been decimated. The agility of our company allowed us to be resourceful and adapt to the new situation incredibly quickly. The motivation for doing so was not just mere survival, but a sense of irony regarding the 'empty shelves at the supermarket' and our fully stocked warehouses. Our ecommerce platform was modified within 72 hours and promoted down various media channels to allow for the general public to request an account, browse and shop and just like that Caterite Click and Collect was born. Within 48 hours of the service being launched we had over +10,000 new account requests and within a couple of weeks our sales via B2C (business to consumer) surpassed £150k per week. Our usual 9,000 product portfolio was filtered down to a more manageable 4,500 products, and we introduced a range of new products (fresh fish, toiletries, pet food, baby care and gardening suppliers) to accommodate our new customer base requests. We have surveyed our click and collect customers to gain vital feedback on our service and allow us to plan and develop our future business model to include B2C market, the results of 750 completed surveys were emphatic;

99.3% enjoyed click and collect
99.3% would recommend us to a friend or family
94.2% would continue to use the service after lockdown

Out of 10 our staff were rated 9.8
Out of 10 our product quality was rated 9.3
Out of 10 our speed and efficiency of service was 9.8
Out of 10 our website for ease of use and speed was rated 9
Out of 10 our product range was rated 8.2 (main feedback was sizing was too large on some items)

The next 12 months for our business and industry will be testing, but the directors feel we are well positioned to manage the challenges.

Approved by the Board on 27/8/2021 and signed on its behalf by:

.....
Mr K A Graham
Director



Caterite Food and Wineservice Limited

Directors' Report for the Year Ended 31 December 2020

The directors present their report and the consolidated financial statements for the year ended 31 December 2020.

Directors of the group

The directors who held office during the year were as follows:

Mr K A Graham

Mrs S R Hoffmann - Company secretary and director

Mr L Byrne

Mr T Malik

Financial instruments

Objectives and policies

Adequate finance has been made available to take advantage of all business opportunities arising during the year and the directors consider the state of affairs to be satisfactory.

The parent company and the subsidiaries seek to operate within the agreed overdraft facility with the bank. All sales are to UK based customers and therefore they have not entered into any hedging arrangements in respect of risks relating to trade debtors.

Price risk, credit risk, liquidity risk and cash flow risk

The businesses principal financial instruments comprise bank balances, bank overdrafts, trade debtors, trade creditors, loans to the business and finance lease agreements. The main purpose of these instruments is to finance the business operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the businesses cash balances are held in such a way that achieves a competitive rate of interest. The businesses makes use of money market facilities where funds are available.

Trade debtors are supported by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Loans comprise of loans from directors and shareholders. The interest rate on the loans tend to be fixed but repayments are on demand. In the case of Box Clever there is a loan from the bank which has fixed monthly payments. The businesses manage liquidity risk by ensuring that there are sufficient funds to meet any potential payment demands.

The businesses are lessees in respect of finance leased assets. The liquidity risk in respect of these is managed by ensuring that there are sufficient funds to meet the payments.

Caterite Food and Wineservice Limited

Directors' Report for the Year Ended 31 December 2020 (continued)

Future developments

In the next financial year the directors believe the group will adapt to meet the challenges of Covid-19 as described in the Strategic Report and thereafter continue to trade profitably at a level similar to previous years.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 27/8/2021 and signed on its behalf by:

.....
Mr K A Graham
Director



Caterite Food and Wineservice Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Caterite Food and Wineservice Limited

Independent Auditor's Report to the Members of Caterite Food and Wineservice Limited

Opinion

We have audited the financial statements of Caterite Food and Wineservice Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and 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 group's and the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

Caterite Food and Wineservice Limited

Independent Auditor's Report to the Members of Caterite Food and Wineservice Limited (continued)

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities [set out on page 6], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Caterite Food and Wineservice Limited

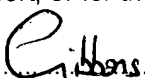
Independent Auditor's Report to the Members of Caterite Food and Wineservice Limited (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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


.....
David Harper (Senior Statutory Auditor)
For and on behalf of Gibbons, Statutory Auditor

Carleton House
136 Gray Street
Workington
Cumbria
CA14 2LU

Date:.....27/9/2021.....

Caterite Food and Wineservice Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Turnover	3	20,631,117	30,340,370
Cost of sales		<u>(14,143,605)</u>	<u>(20,901,264)</u>
Gross profit		6,487,512	9,439,106
Distribution costs		(3,727,457)	(4,475,206)
Administrative expenses		(3,544,395)	(3,723,053)
Other operating income	4	<u>851,130</u>	<u>146,277</u>
Operating profit	6	<u>66,790</u>	<u>1,387,124</u>
Other interest receivable and similar income	7	280,630	321
Interest payable and similar expenses	8	<u>(22,612)</u>	<u>(23,819)</u>
		<u>258,018</u>	<u>(23,498)</u>
Profit before tax		324,808	1,363,626
Taxation	12	<u>(45,529)</u>	<u>(250,617)</u>
Profit for the financial year		<u>279,279</u>	<u>1,113,009</u>
Profit/(loss) attributable to:			
Owners of the company		<u>279,279</u>	<u>1,113,009</u>

The group has no recognised gains or losses for the year other than the results above.

Caterite Food and Wineservice Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2020

	2020 £	2019 £
Profit for the year	<u>279,279</u>	<u>1,113,009</u>
Total comprehensive income for the year	<u>279,279</u>	<u>1,113,009</u>
Total comprehensive income attributable to:		
Owners of the company	<u>279,279</u>	<u>1,113,009</u>

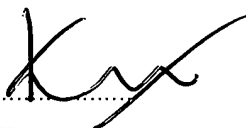
Caterite Food and Wineservice Limited

(Registration number: 03639100)

Consolidated Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	13	612,550	671,950
Tangible assets	14	3,317,970	3,184,638
Other financial assets	16	1,290,844	13,090
		<u>5,221,364</u>	<u>3,869,678</u>
Current assets			
Stocks	17	2,242,457	2,217,254
Debtors	18	2,146,835	3,661,177
Cash at bank and in hand		1,507,582	844,050
		<u>5,896,874</u>	<u>6,722,481</u>
Creditors: Amounts falling due within one year	20	<u>(2,721,020)</u>	<u>(3,068,787)</u>
Net current assets		<u>3,175,854</u>	<u>3,653,694</u>
Total assets less current liabilities		8,397,218	7,523,372
Creditors: Amounts falling due after more than one year	20	(1,201,595)	(454,302)
Provisions for liabilities		<u>(212,747)</u>	<u>(169,281)</u>
Net assets		<u>6,982,876</u>	<u>6,899,789</u>
Capital and reserves			
Called up share capital	22	14,450	14,450
Share premium reserve		109,352	109,352
Capital redemption reserve		1,300	1,300
Other reserves		108,379	102,071
Profit and loss account		6,749,395	6,672,616
Equity attributable to owners of the company		<u>6,982,876</u>	<u>6,899,789</u>
Total equity		<u>6,982,876</u>	<u>6,899,789</u>

Approved and authorised by the Board on and signed on its behalf by:

.....

 Mr K A Graham
 Director

Caterite Food and Wineservice Limited


(Registration number: 03639100)
Balance Sheet as at 31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	13	612,550	671,950
Tangible assets	14	2,627,287	2,429,869
Investments	15	100	100
Other financial assets	16	1,290,844	13,090
		<u>4,530,781</u>	<u>3,115,009</u>
Current assets			
Stocks	17	2,240,863	2,214,872
Debtors	18	2,115,260	3,605,279
Cash at bank and in hand		1,238,651	745,901
		<u>5,594,774</u>	<u>6,566,052</u>
Creditors: Amounts falling due within one year	20	<u>(2,626,451)</u>	<u>(2,993,568)</u>
Net current assets		<u>2,968,323</u>	<u>3,572,484</u>
Total assets less current liabilities		<u>7,499,104</u>	<u>6,687,493</u>
Creditors: Amounts falling due after more than one year	20	(968,051)	(173,348)
Provisions for liabilities		<u>(190,364)</u>	<u>(146,898)</u>
Net assets		<u>6,340,689</u>	<u>6,367,247</u>
Capital and reserves			
Called up share capital	22	14,450	14,450
Share premium reserve		109,352	109,352
Capital redemption reserve		1,300	1,300
Other reserves		108,379	102,071
Profit and loss account		6,107,208	6,140,074
Total equity		<u>6,340,689</u>	<u>6,367,247</u>

The company made a profit after tax for the financial year of £169,634 (2019 - profit of £1,009,357).

Approved and authorised by the Board on 27/8/2021 and signed on its behalf by:

Mr K A Graham
Director



Caterite Food and Wineservice Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2020
Equity attributable to the parent company

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £	Total equity £
At 1 January 2020	14,450	109,352	1,300	102,071	6,672,616	6,899,789	6,899,789
Profit for the year	-	-	-	-	279,279	279,279	279,279
Total comprehensive income	-	-	-	-	279,279	279,279	279,279
Dividends	-	-	-	-	(202,500)	(202,500)	(202,500)
Share based payment transactions	-	-	-	6,308	-	6,308	6,308
At 31 December 2020	<u>14,450</u>	<u>109,352</u>	<u>1,300</u>	<u>108,379</u>	<u>6,749,395</u>	<u>6,982,876</u>	<u>6,982,876</u>
	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £	Total equity £
At 1 January 2019	14,450	109,352	1,300	92,523	5,688,723	5,906,348	5,906,348
Profit for the year	-	-	-	-	1,113,009	1,113,009	1,113,009
Total comprehensive income	-	-	-	-	1,113,009	1,113,009	1,113,009
Dividends	-	-	-	-	(129,116)	(129,116)	(129,116)
Share based payment transactions	-	-	-	9,548	-	9,548	9,548
At 31 December 2019	<u>14,450</u>	<u>109,352</u>	<u>1,300</u>	<u>102,071</u>	<u>6,672,616</u>	<u>6,899,789</u>	<u>6,899,789</u>

The notes on pages 17 to 39 form an integral part of these financial statements.
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Caterite Food and Wineservice Limited

Statement of Changes in Equity for the Year Ended 31 December 2020

	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 January 2020	14,450	109,352	1,300	102,071	6,140,074	6,367,247
Profit for the year	-	-	-	-	169,634	169,634
Total comprehensive income	-	-	-	-	169,634	169,634
Dividends	-	-	-	-	(202,500)	(202,500)
Share based payment transactions	-	-	-	6,308	-	6,308
At 31 December 2020	<u>14,450</u>	<u>109,352</u>	<u>1,300</u>	<u>108,379</u>	<u>6,107,208</u>	<u>6,340,689</u>
	Share capital £	Share premium £	Capital redemption reserve £	Other reserves £	Profit and loss account £	Total £
At 1 January 2019	14,450	109,352	1,300	92,523	5,259,833	5,477,458
Profit for the year	-	-	-	-	1,009,357	1,009,357
Total comprehensive income	-	-	-	-	1,009,357	1,009,357
Dividends	-	-	-	-	(129,116)	(129,116)
Share based payment transactions	-	-	-	9,548	-	9,548
At 31 December 2019	<u>14,450</u>	<u>109,352</u>	<u>1,300</u>	<u>102,071</u>	<u>6,140,074</u>	<u>6,367,247</u>

The notes on pages 17 to 39 form an integral part of these financial statements.
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Caterite Food and Wineservice Limited

Consolidated Statement of Cash Flows for the Year Ended 31 December 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Profit for the year		279,279	1,113,009
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	6	575,295	633,331
Profit on disposal of tangible assets	5	(5,588)	(6,941)
Finance income	7	(280,630)	(321)
Finance costs	8	22,324	23,226
Share based payment transactions		7,787	11,787
Income tax expense	12	45,529	250,617
		<u>643,996</u>	<u>2,024,708</u>
Working capital adjustments			
Increase in stocks	17	(25,203)	(67,196)
Decrease/(increase) in trade debtors	18	1,535,017	(598,182)
(Decrease)/increase in trade creditors	20	(480,034)	343,081
Cash generated from operations		1,673,776	1,702,411
Income taxes paid	12	(140,821)	(135,426)
Net cash flow from operating activities		<u>1,532,955</u>	<u>1,566,985</u>
Cash flows from investing activities			
Interest received		-	321
Acquisitions of tangible assets		(493,392)	(720,383)
Proceeds from sale of tangible assets		29,154	11,067
Acquisition of intangible assets	13, 16	(1,459,058)	(425,000)
Proceeds from sale of intangible assets		441,926	-
Net cash flows from investing activities		<u>(1,481,370)</u>	<u>(1,133,995)</u>
Cash flows from financing activities			
Interest paid	8	(22,324)	(23,226)
Proceeds from bank borrowing draw downs		902,590	(42,986)
Proceeds from other borrowing draw downs		20,628	(24,878)
Payments to finance lease creditors		(86,447)	(112,748)
Dividends paid		(202,500)	(129,116)
Net cash flows from financing activities		<u>611,947</u>	<u>(332,954)</u>
Net increase in cash and cash equivalents		663,532	100,036
Cash and cash equivalents at 1 January		<u>844,050</u>	<u>744,014</u>
Cash and cash equivalents at 31 December		<u><u>1,507,582</u></u>	<u><u>844,050</u></u>

The notes on pages 17 to 39 form an integral part of these financial statements.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Embleton

Cockermouth

Cumbria

CA13 9YA

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

The financial statements have been presented in sterling. The amounts have been rounded to the nearest pound.

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December 2020.

No Profit and Loss Account is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a profit after tax for the financial year of £169,634 (2019 - profit of £1,009,357).

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

The coronavirus outbreak had a major impact on our business and the sector we work in. Overnight we lost 85% of our trading customers and our revenue stream had been decimated. The agility of our company allowed us to be resourceful and adapt to the new situation incredibly quickly. The motivation for doing so was not just mere survival, but a sense of irony regarding the 'empty shelves at the supermarket' and our fully stocked warehouses. Our ecommerce platform was modified within 72 hours and promoted down various media channels to allow for the general public to request an account, browse and shop and just like that Caterite Click and Collect was born. Within 48 hours of the service being launched we had over +10,000 new account requests and within a couple of weeks our sales via B2C (business to consumer) surpassed £150k per week. Our usual 9,000 product portfolio was filtered down to a more manageable 4,500 products, and we introduced a range of new products (fresh fish, toiletries, pet food, baby care and gardening suppliers) to accommodate our new customer base requests.

Based on budgets and forecasting and the success of the adaptations of the business as described above, the directors believe that it remains appropriate for the financial statements to be prepared on a going concern basis.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the group's activities.

Foreign currency transactions and balances

Foreign currency transactions are initially recognised in the functional currency by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. At the end of each reporting period, the entity translates foreign currency monetary items using the closing rate. Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition are recognised in profit or loss in the period in which they arise.

Tax

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

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 group operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	No depreciation charged
Leasehold land and buildings	Straight line over the life of the lease
Fixtures, fittings and equipment	10 - 25% straight line basis
Motor vehicles	20 - 25% straight line/reducing balance basis

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	5%/10% straight line basis
Goodwill in respect of Four Seasons Foods Limited	Straight line basis over 5 years

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

Creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Provisions

Provisions are recognised when the Company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Share based payments

The group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using entity-specific observable market data such as a recent transaction in the entity's shares. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

2 Accounting policies (continued)

Financial instruments

Classification

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments.

Recognition and measurement

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

Impairment

Financial instruments are reviewed for impairment annually and any impairment losses are recognised in profit and loss in the period in which they occur.

3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	2020 £	2019 £
Sale of goods	20,146,982	29,826,541
Rendering of services	483,685	513,342
Other revenue	450	487
	<u>20,631,117</u>	<u>30,340,370</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2020 £	2019 £
Government grants	788,659	-
Miscellaneous other operating income	62,471	146,277
	<u>851,130</u>	<u>146,277</u>

5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	2020 £	2019 £
Gain (loss) on disposal of property, plant and equipment	<u>5,588</u>	<u>6,941</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

6 Operating profit

Arrived at after charging/(crediting)

	2020 £	2019 £
Depreciation expense	490,895	523,301
Amortisation expense	84,400	110,030
Operating lease expense - plant and machinery	74,714	88,287
Profit on disposal of property, plant and equipment	<u>(5,588)</u>	<u>(6,941)</u>

7 Other interest receivable and similar income

	2020 £	2019 £
Interest income on bank deposits	-	321
Net gain on disposal of financial assets transferred from equity	70,831	-
Net gain on derivative	<u>209,799</u>	<u>-</u>
	<u>280,630</u>	<u>321</u>

8 Interest payable and similar expenses

	2020 £	2019 £
Interest on bank overdrafts and borrowings	16,057	10,306
Interest on obligations under finance leases and hire purchase contracts	6,267	9,505
Interest expense on other finance liabilities	-	3,415
Foreign exchange (gains) / losses	<u>288</u>	<u>593</u>
	<u>22,612</u>	<u>23,819</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

9 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2020 £	2019 £
Wages and salaries	3,492,625	3,884,677
Social security costs	230,426	296,896
Pension costs, defined contribution scheme	76,895	70,946
Redundancy costs	41,352	-
Share-based payment expenses	7,787	11,787
	<u>3,849,085</u>	<u>4,264,306</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2020 No.	2019 No.
Distribution	142	138
Other departments	27	34
	<u>169</u>	<u>172</u>

10 Directors' remuneration

The directors' remuneration for the year was as follows:

	2020 £	2019 £
Remuneration	79,515	67,586
Contributions paid to money purchase schemes	4,314	1,242
	<u>83,829</u>	<u>68,828</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2020 No.	2019 No.
Received or were entitled to receive shares under long term incentive schemes	1	1
Accruing benefits under money purchase pension scheme	2	2

In respect of the highest paid director:

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

10 Directors' remuneration (continued)

	2020 £	2019 £
Remuneration	68,222	49,249
Company contributions to money purchase pension schemes	<u>1,314</u>	<u>1,166</u>

11 Auditors' remuneration

	2020 £	2019 £
Audit of these financial statements	<u>13,250</u>	<u>13,000</u>
Other fees to auditors		
All other assurance services	<u>17,395</u>	<u>14,219</u>

12 Taxation

Tax charged/(credited) in the income statement

	2020 £	2019 £
Current taxation		
UK corporation tax	35,827	250,821
UK corporation tax adjustment to prior periods	<u>(32,285)</u>	<u>(33,837)</u>
	3,542	216,984
Deferred taxation		
Arising from origination and reversal of timing differences	<u>41,987</u>	<u>33,633</u>
Tax expense in the income statement	<u>45,529</u>	<u>250,617</u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2019 - the same as the standard rate of corporation tax in the UK) of 19% (2019 - 19%).

The differences are reconciled below:

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

12 Taxation (continued)

	2020 £	2019 £
Profit before tax	<u>324,808</u>	<u>1,363,626</u>
Corporation tax at standard rate	61,714	259,089
Effect of expense not deductible in determining taxable profit (tax loss)	(7,592)	1,533
Tax increase from effect of capital allowances and depreciation	25,171	26,071
Tax decrease from effect of exercise of employee share options	(1,479)	(2,239)
Tax decrease from effect of adjustment in research and development tax credit	<u>(32,285)</u>	<u>(33,837)</u>
Total tax charge	<u>45,529</u>	<u>250,617</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

12 Taxation (continued)

Deferred tax

Group

Deferred tax assets and liabilities

	Liability £
2020	
Accelerated capital allowances	172,885
Unrealised gains	39,862
	<u>212,747</u>
2019	
Accelerated capital allowances	169,281
Unrealised gains	-
	<u>169,281</u>

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is £76,230 (2019 - £72,761).

Company

Deferred tax assets and liabilities

	Liability £
2020	
Accelerated capital allowances	150,502
Unrealised gains	39,862
	<u>190,364</u>
2019	
Accelerated capital allowances	146,898
Unrealised gains	-
	<u>146,898</u>

The amount of the net reversal of deferred tax assets and deferred tax liabilities expected to occur during the year beginning after the reporting period is £63,561 (2019 - £82,209).

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

12 Taxation (continued)

Tax relating to items recognised in other comprehensive income or equity - group

	2020	2019
	£	£
Deferred tax related to items recognised as items of equity	<u>1,479</u>	<u>2,239</u>

Tax relating to items recognised in other comprehensive income or equity - company

	2020	2019
	£	£
Deferred tax related to items recognised as items of equity	<u>1,479</u>	<u>2,239</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

13 Intangible assets

Group

	Goodwill £	Total £
Cost or valuation		
At 1 January 2020	1,049,000	1,049,000
Additions acquired separately	25,000	25,000
At 31 December 2020	1,074,000	1,074,000
Amortisation		
At 1 January 2020	377,050	377,050
Amortisation charge	84,400	84,400
At 31 December 2020	461,450	461,450
Carrying amount		
At 31 December 2020	612,550	612,550
At 31 December 2019	671,950	671,950

Company

	Goodwill £	Total £
Cost or valuation		
At 1 January 2020	1,049,000	1,049,000
Additions acquired separately	25,000	25,000
At 31 December 2020	1,074,000	1,074,000
Amortisation		
At 1 January 2020	377,050	377,050
Amortisation charge	84,400	84,400
At 31 December 2020	461,450	461,450
Carrying amount		
At 31 December 2020	612,550	612,550
At 31 December 2019	671,950	671,950

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

14 Tangible assets

Group

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2020	1,892,135	3,161,089	1,788,341	6,841,565
Additions	255,792	181,721	210,280	647,793
Disposals	-	-	(79,341)	(79,341)
At 31 December 2020	<u>2,147,927</u>	<u>3,342,810</u>	<u>1,919,280</u>	<u>7,410,017</u>
Depreciation				
At 1 January 2020	189,866	2,139,711	1,327,346	3,656,923
Charge for the year	44,304	277,348	169,247	490,899
Eliminated on disposal	-	-	(55,775)	(55,775)
At 31 December 2020	<u>234,170</u>	<u>2,417,059</u>	<u>1,440,818</u>	<u>4,092,047</u>
Carrying amount				
At 31 December 2020	<u>1,913,757</u>	<u>925,751</u>	<u>478,462</u>	<u>3,317,970</u>
At 31 December 2019	<u>1,702,269</u>	<u>1,021,375</u>	<u>460,994</u>	<u>3,184,638</u>

Included within the net book value of land and buildings above is £478,371 (2019 - £478,371) in respect of freehold land and buildings and £1,435,386 (2019 - £1,223,898) in respect of long leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Motor vehicles	<u>371,591</u>	<u>316,796</u>

Restriction on title and pledged as security

Land and buildings with a carrying amount of £510,384 (2019 - £519,662) has the following restriction on title:

Barclays bank plc holds a legal charge over the freehold land and buildings of Box Clever Cumbria Limited.

Motor vehicles with a carrying amount of £371,591 (2019 - £316,796) has been pledged as security for obligations under finance lease and hire purchase contracts to which they relate.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

14 Tangible assets (continued)

Company

	Land and buildings £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 January 2020	1,279,706	2,354,043	1,759,229	5,392,978
Additions	255,792	181,721	210,280	647,793
Disposals	-	-	(79,341)	(79,341)
At 31 December 2020	<u>1,535,498</u>	<u>2,535,764</u>	<u>1,890,168</u>	<u>5,961,430</u>
Depreciation				
At 1 January 2020	97,099	1,567,772	1,298,234	2,963,105
Charge for the year	35,026	222,540	169,247	426,813
Eliminated on disposal	-	-	(55,775)	(55,775)
At 31 December 2020	<u>132,125</u>	<u>1,790,312</u>	<u>1,411,706</u>	<u>3,334,143</u>
Carrying amount				
At 31 December 2020	<u>1,403,373</u>	<u>745,452</u>	<u>478,462</u>	<u>2,627,287</u>
At 31 December 2019	<u>1,182,607</u>	<u>786,268</u>	<u>460,994</u>	<u>2,429,869</u>

Included within the net book value of land and buildings above is £476,371 (2019 - £476,371) in respect of freehold land and buildings and £927,002 (2019 - £706,236) in respect of long leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2020 £	2019 £
Motor vehicles	<u>371,591</u>	<u>316,796</u>

Restriction on title and pledged as security

Motor vehicles with a carrying amount of £371,591 (2019 - £316,796) has been pledged as security for obligations under finance lease and hire purchase contracts to which they relate.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

15 Investments

Company

	2020 £	2019 £
Investments in subsidiaries	100	100
Subsidiaries		£
Cost or valuation		
At 1 January 2020		100
Provision		
Carrying amount		
At 31 December 2020		100
At 31 December 2019		100

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
Grapevine, Wineservice Limited (dormant)	The Embleton, Cumbria CA13 9YA United Kingdom	Cockermouth, Ordinary	100%	100%
Box Clever Cumbria Limited	Embleton, Cumbria CA13 9YA United Kingdom	Cockermouth, Ordinary	100%	100%
Four Seasons Foods Limited (dormant)	Embleton, Cumbria CA13 9YA United Kingdom	Cockermouth, Ordinary	100%	100%

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

15 Investments (continued)

Subsidiary undertakings

Box Clever Cumbria Limited

The principal activity of Box Clever Cumbria Limited is storage and warehousing..

For the year ending 31 December 2020 the following subsidiaries were entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

Grapevine, The Wineservice Company Limited

Box Clever Cumbria Limited

Four Seasons Foods Limited

16 Other financial assets

Group

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 January 2020	13,090	13,090
Fair value adjustments	285,622	285,622
Additions	1,434,058	1,434,058
Disposals	(441,926)	(441,926)
At 31 December 2020	<u>1,290,844</u>	<u>1,290,844</u>
Impairment		
Carrying amount		
At 31 December 2020	<u>1,290,844</u>	<u>1,290,844</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

16 Other financial assets (continued)

Company

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 January 2020	13,090	13,090
Fair value adjustments	285,622	285,622
Additions	1,434,058	1,434,058
Disposals	(441,926)	(441,926)
At 31 December 2020	<u>1,290,844</u>	<u>1,290,844</u>
Impairment		
Carrying amount		
At 31 December 2020	<u>1,290,844</u>	<u>1,290,844</u>

17 Stocks

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Finished goods and goods for resale	2,240,863	2,214,872	2,240,863	2,214,872
Other inventories	<u>1,594</u>	<u>2,382</u>	<u>-</u>	<u>-</u>
	<u>2,242,457</u>	<u>2,217,254</u>	<u>2,240,863</u>	<u>2,214,872</u>

Group

Company

18 Debtors

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	1,806,079	3,234,460	1,778,226	3,196,505
Other debtors	133,953	228,288	168,163	247,041
Prepayments	<u>206,803</u>	<u>198,429</u>	<u>168,871</u>	<u>161,733</u>
	<u>2,146,835</u>	<u>3,661,177</u>	<u>2,115,260</u>	<u>3,605,279</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

19 Cash and cash equivalents

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Cash on hand	211	87	211	87
Cash at bank	1,507,371	843,963	1,238,440	745,814
	<u>1,507,582</u>	<u>844,050</u>	<u>1,238,651</u>	<u>745,901</u>

20 Creditors

		Group		Company	
	Note	2020 £	2019 £	2020 £	2019 £
Due within one year					
Loans and borrowings	23	331,242	108,721	291,492	68,649
Trade creditors		1,780,399	2,006,487	1,762,710	1,981,947
Amounts due to related parties	25	-	-	72,480	92,307
Social security and other taxes		68,308	87,814	67,079	86,166
Outstanding defined contribution pension costs		361	459	-	-
Other payables		96,764	69,648	96,764	69,648
Accruals		440,404	654,837	373,135	591,293
Corporation tax	12	<u>3,542</u>	<u>140,821</u>	<u>(37,209)</u>	<u>103,558</u>
		<u>2,721,020</u>	<u>3,068,787</u>	<u>2,626,451</u>	<u>2,993,568</u>
Due after one year					
Loans and borrowings	23	<u>1,201,595</u>	<u>454,302</u>	<u>968,051</u>	<u>173,348</u>

21 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £76,895 (2019 - £70,946).

Contributions totalling £361 (2019 - £459) were payable to the scheme at the end of the year and are included in creditors.

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

22 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary A shares of £1 each	11,000	11,000	11,000	11,000
Ordinary B shares of £1 each	1,000	1,000	1,000	1,000
Ordinary C shares of £1 each	1,000	1,000	1,000	1,000
Ordinary E shares of £1 each	350	350	350	350
Ordinary F shares of £1 each	1,100	1,100	1,100	1,100
	<u>14,450</u>	<u>14,450</u>	<u>14,450</u>	<u>14,450</u>

Rights, preferences and restrictions

Ordinary shares and alphabet shares have the following rights, preferences and restrictions:
The ordinary shares and alphabet shares have full rights in respect of voting rights, dividend rights and the right to participate to capital on winding up. The shares are not redeemable shares.

Shares reserved for issue

Ordinary E shares

The company granted share options on 23 July 2015. See note 24 for details.

The number of shares reserved for issue is 1,667.

23 Loans and borrowings

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	993,544	280,954	760,000	-
Hire purchase contracts	<u>208,051</u>	<u>173,348</u>	<u>208,051</u>	<u>173,348</u>
	<u>1,201,595</u>	<u>454,302</u>	<u>968,051</u>	<u>173,348</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

23 Loans and borrowings (continued)

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Current loans and borrowings				
Bank borrowings	229,750	39,750	190,000	-
Hire purchase contracts	101,492	68,649	101,492	68,649
Finance lease liabilities	-	322	-	-
	<u>331,242</u>	<u>108,721</u>	<u>291,492</u>	<u>68,649</u>

24 Share-based payments

Enterprise management incentive share option scheme 1

Scheme details and movements

The company has granted a director the right to acquire up to 1,500 Ordinary E shares or up to 9% of the issued share capital, if lower, at an exercise price of £100 per share. The option to acquire 250 shares may only be exercised on or after 31 December 2015 and 250 shares in each subsequent year thereafter. The share options are conditional on the director remaining in the entity's employment. As at 31 December 2020 the director has not exercised the option to acquire any shares. A variation to the agreement was made during the year ended 31 December 2018, which increased the option to purchase an additional 167 shares after 31 December 2020.

The equity-settled share-based payment transactions are measured at the fair value of the equity instruments granted at grant date.

The movements in the number of share options during the year were as follows:

	2020 Number	2019 Number
Outstanding, start of period	1,667	1,667
Outstanding, end of period	1,667	1,667
Exercisable, end of period	<u>1,667</u>	<u>1,250</u>

The movements in the weighted average exercise price of share options during the year were as follows:

	2020 £	2019 £
Outstanding, start of period	166,700.00	166,700.00
Granted during the period	-	16,700.00
Outstanding, end of period	166,700.00	166,700.00
Exercisable, end of period	<u>166,700.00</u>	<u>125,000.00</u>

Caterite Food and Wineservice Limited

Notes to the Financial Statements for the Year Ended 31 December 2020 (continued)

25 Related party transactions

Group

Summary of transactions with entities with joint control or significant interest

A number of entities are under joint control of one or more directors. The company is also a related party to its subsidiaries.

The group rents property from an entity under joint control and also purchases goods from, and sells goods to, other entities under joint control.

During the year the company sold goods to related parties with a total value of £61,872 (2019 - £171,007) and there was a balance outstanding at the year end of £330 (2019 - £15,547) this is included in trade debtors.

During the year the company sold goods to key management personnel with a total value of £86 (2019 - £2,802) and there was a balance outstanding at the year end of £79 (2019 - £nil) this is included in trade debtors.

During the year the company purchased goods and services from related parties with a total value of £219,823 (2019 - £181,909) and there was a balance outstanding at the year end of £nil (2019 - £17,500) this is included in trade creditors.

The company has loan accounts with its directors. The loans are repayable on demand and interest is charged at a rate of 4%. At the balance sheet date the company owed £45,708 (2019 - £25,080) to its directors.

The company has loan accounts with its subsidiaries. The loans are repayable on demand and interest free. At the balance sheet date the company owed £72,480 to its subsidiaries (2019 - £92,307).

26 Parent and ultimate parent undertaking

The ultimate controlling party is Mr K A Graham (Director) who owns 73.56% of the called up share capital of Caterite Food and Wineservice Limited.