

COMPANY REGISTRATION NUMBER: 03818920

T&S ENTERPRISES (LONDON) LIMITED
FINANCIAL STATEMENTS
31 DECEMBER 2021



UHY HACKER YOUNG (S.E.) LIMITED

Chartered accountants & statutory auditor
168 Church Road
Hove
East Sussex
BN3 2DL

T&S ENTERPRISES (LONDON) LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

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T&S ENTERPRISES (LONDON) LIMITED

STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2021

T&S ENTERPRISES (LONDON) LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

Introduction

The business continued as an importer/distributor of premium seafood & products from Japan such as Wagyu beef, Vegetables. the company developed a supply chain so that it could maintain a stable supply of a wider range products.

Fair review of the company's business

In 2021, UK economy was half recovered from COVID restriction however we faced import/export complexity due from Brexit which impacted us cost increase in terms of trading with EU countries. We managed to diversify our supplier portfolio to obtain flexibility in importing transaction although reduced volume / production due to COVID situation by most of suppliers globally.

Principal risks and uncertainties

We have quick demand recovery from the consumer market however we experienced mismatch for demand and supply of our seafood products and fish which requires 1 year or longer to harvest for grown size, and lack of supply globally pushed price hike after COVID restriction was lifted. We continued to maintain the highest standards of hygiene and managed that there was minimum number of production staff infected by COVID for our factory operation sustainable.

Cash flow risk

The company has been importing a lot of products from other countries and our major customers are UK based. Therefore, the company has been exposed to foreign exchange risk. The currencies used for imports are JPY, EUR and USD. Depreciation of GBP against these 3 currencies would increase our cost.

Credit risk

The company is exposed to credit risk because majority of our customers are medium and small sized restaurants. However, the company has maintained a credit insurance policy with a major insurance company and the company's credit risk has been appropriately mitigated.

Liquidity risk

The company ensure it has sufficient funds and bank credit lines to meet its working capital requirements and future developments. The company has maintained invoice financing facilities with a major UK bank where the company can sell whole or part of eligible account portfolio if required.

Balance and comprehensive analysis of development and performance during the year and the position at the end of it

T&S managed to maintain right number of staff to meet market demand from recovery especially factory operation and delivery. We also managed to diversify customer portfolio by segment and location and the number of new customers increased during 2021.

Analysis using financial KPI

Revenue growth and maintenance of gross profit margin are considered to be the key performance indicators.

T&S ENTERPRISES (LONDON) LIMITED

STRATEGIC REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2021

- * Revenue - has increased by £3,943,151 from 2020
- * Overhead Costs - has decreased by £259,349 from 2020
- * Net profit - has increased by £1,161,805 from 2020
- * Inventory - have decreased by £546,322 from 2020
- * Trade Debtor - owed by group company's has increased by £155,692 from 2020
- * Creditors - have increased by £427,156 from 2020

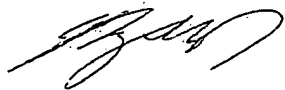
Future developments

The main future development is to focus on growth. The company has planned to hire more staff, machineries and to achieve different hygiene certification to approach major customers that require a higher standard of traceability & food safety standard.

Companies Act S172 Statement

This section serves as our s172 statement and should be read in conjunction with the whole strategic report. s172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders in their decision making. The directors continue to have regard to the interests of the company's employees and other stakeholders including the impact of its activities on the community, the environment and the company's reputation when making decisions. The directors consider that acting in good faith and fairly between stakeholders is most likely to promote the success of the company. Our principal stakeholders are engaged with on a regular basis.

This report was approved by the board of directors on 20 December 2022 and signed on behalf of the board by:



K Kanno
Director

Registered office:
168 Church Road
Hove
England
BN3 2DL

T&S ENTERPRISES (LONDON) LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2021

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

Directors

The directors who served the company during the year were as follows:

I Kubo
K Kanno
M Morishita
S Higaki

After the balance sheet date but before the date of signing these accounts, the following two directors resigned from the company, Itsuro Kubo.

Dividends

The directors do not recommend the payment of a dividend.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' 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 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 judgments 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.

T&S ENTERPRISES (LONDON) LIMITED

DIRECTORS' REPORT *(continued)*

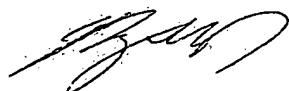
YEAR ENDED 31 DECEMBER 2021

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 20 December 2022 and signed on behalf of the board by:



K Kanno
Director

Registered office:
168 Church Road
Hove
England
BN3 2DL

T&S ENTERPRISES (LONDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T&S ENTERPRISES (LONDON) LIMITED

YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of T&S Enterprises (London) Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, statement of financial position and the related notes, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

T&S ENTERPRISES (LONDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T&S ENTERPRISES (LONDON) LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2021

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 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 directors' report.

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

- adequate accounting records have not been kept, 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.

T&S ENTERPRISES (LONDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T&S ENTERPRISES (LONDON) LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2021

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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.

T&S ENTERPRISES (LONDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T&S ENTERPRISES (LONDON) LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2021

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company which were contrary to applicable laws and regulations including fraud and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

- 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.

T&S ENTERPRISES (LONDON) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF T&S ENTERPRISES (LONDON) LIMITED *(continued)*

YEAR ENDED 31 DECEMBER 2021

- 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 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 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 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.

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 Guest FCA (Senior Statutory Auditor)

For and on behalf of
UHY Hacker Young (S.E.) Limited
Chartered accountants & statutory auditor
168 Church Road
Hove
East Sussex
BN3 2DL

20 December 2022

T&S ENTERPRISES (LONDON) LIMITED**STATEMENT OF INCOME AND RETAINED EARNINGS****YEAR ENDED 31 DECEMBER 2021**

		2021	2020
	Note	£	£
Turnover	4	11,807,945	7,864,795
Cost of sales		<u>9,587,613</u>	<u>6,670,420</u>
Gross profit		2,220,332	1,194,375
Distribution costs		533,763	443,502
Administrative expenses		1,551,913	1,811,303
Other operating income	5	<u>86,633</u>	<u>307,541</u>
Operating profit/(loss)	6	221,289	(752,889)
Other interest receivable and similar income	10	2,307	1,848
Interest payable and similar expenses	11	<u>26,235</u>	<u>22,128</u>
Profit/(loss) before taxation		197,361	(773,169)
Tax on profit/(loss)	12	<u>(191,275)</u>	<u>—</u>
Profit/(loss) for the financial year and total comprehensive income		<u>388,636</u>	<u>(773,169)</u>
Retained earnings at the start of the year		1,095,610	1,868,779
Retained earnings at the end of the year		<u>1,484,246</u>	<u>1,095,610</u>

All the activities of the company are from continuing operations.

The notes on pages 13 to 23 form part of these financial statements.

T&S ENTERPRISES (LONDON) LIMITED

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	1,533	—
Tangible assets	14	333,183	282,457
		<u>334,716</u>	<u>282,457</u>
Current assets			
Stocks	15	263,512	809,834
Debtors	16	3,102,123	2,183,442
Cash at bank and in hand		981,832	624,682
		<u>4,347,467</u>	<u>3,617,958</u>
Creditors: amounts falling due within one year	17	<u>3,196,937</u>	<u>2,769,781</u>
Net current assets		<u>1,150,530</u>	<u>848,177</u>
Total assets less current liabilities		<u>1,485,246</u>	<u>1,130,634</u>
Provisions	18	—	34,024
Net assets		<u>1,485,246</u>	<u>1,096,610</u>
Capital and reserves			
Called up share capital	22	1,000	1,000
Profit and loss account		1,484,246	1,095,610
Shareholders funds		<u>1,485,246</u>	<u>1,096,610</u>

These financial statements were approved by the board of directors and authorised for issue on 20 December 2022, and are signed on behalf of the board by:



K Kanno
Director

Company registration number: 03818920

The notes on pages 13 to 23 form part of these financial statements.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 168 Church Road, Hove, England, BN3 2DL.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland";

- * the requirements of Section 7 Statements of Cash Flows;
- * the requirement of paragraph 3.17(d);
- * the requirement of paragraph 33.7

This information is included in the consolidated financial statements of Atariya Foods Limited as at 31 December 2021 and these financial statements may be obtained from 168 Church Road, Hove, East Sussex, United Kingdom, BN3 2DL.

Judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with FRS 102 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. In respect of the judgements, estimates and assumptions made by management in preparing these financial statements, none are considered to have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities presented.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. Accounting policies *(continued)*

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Domain names - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	-	Over the life of the lease
Plant and machinery	-	10% reducing balance
Fixtures and fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. Accounting policies *(continued)*

Provisions *(continued)*

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Sales - UK	<u>11,807,946</u>	<u>7,864,795</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2021	2020
	£	£
Government grant income	<u>86,633</u>	<u>307,541</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Amortisation of intangible assets	67	–
Depreciation of tangible assets	28,692	31,174
Gains on disposal of tangible assets	–	(1,012)
Impairment of trade debtors	(26,510)	48,378
Foreign exchange differences	<u>(145,987)</u>	<u>67,166</u>

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>20,000</u>	<u>17,500</u>

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
	No.	No.
Production staff	32	36
Distribution staff	6	7
Administrative staff	7	6
Management staff	6	6
	<u>51</u>	<u>55</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	1,708,764	1,601,265
Social security costs	209,779	155,697
Other pension costs	3,589	48,684
	<u>1,922,132</u>	<u>1,805,646</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	<u>112,611</u>	<u>111,383</u>

10. Other interest receivable and similar income

	2021	2020
	£	£
Interest on cash and cash equivalents	<u>2,307</u>	<u>1,848</u>

11. Interest payable and similar expenses

	2021	2020
	£	£
Other interest payable and similar charges	<u>26,235</u>	<u>22,128</u>

12. Tax on profit/(loss)

Major components of tax income

2021	2020
£	£

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

12. Tax on profit/(loss) *(continued)*

	2021 £	2020 £
Deferred tax:		
Origination and reversal of timing differences	(191,275)	—
Tax on profit/(loss)	<u>(191,275)</u>	<u>—</u>

Reconciliation of tax income

The tax assessed on the profit/(loss) on ordinary activities for the year is lower than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit/(loss) on ordinary activities before taxation	<u>197,361</u>	<u>(773,169)</u>
Profit/(loss) on ordinary activities by rate of tax	37,499	(146,902)
Effect of expenses not deductible for tax purposes	(1,875)	—
Effect of capital allowances and depreciation	(12,710)	—
Utilisation of tax losses	(22,914)	—
Unused tax losses	—	146,902
Deferred tax	<u>(191,275)</u>	<u>—</u>
Tax on profit/(loss)	<u>(191,275)</u>	<u>—</u>

13. Intangible assets

	Domain Names £
Cost	
Additions	1,600
At 31 December 2021	<u>1,600</u>
Amortisation	
Charge for the year	67
At 31 December 2021	<u>67</u>
Carrying amount	
At 31 December 2021	<u>1,533</u>
At 31 December 2020	<u>—</u>

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

14. Tangible assets

	Short leasehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2021	341,049	605,926	149,820	–	1,096,795
Additions	–	45,180	3,238	31,000	79,418
At 31 December 2021	341,049	651,106	153,058	31,000	1,176,213
Depreciation					
At 1 January 2021	257,394	429,500	127,444	–	814,338
Charge for the year	–	19,084	7,671	1,937	28,692
At 31 December 2021	257,394	448,584	135,115	1,937	843,030
Carrying amount					
At 31 December 2021	83,655	202,522	17,943	29,063	333,183
At 31 December 2020	83,655	176,426	22,376	–	282,457

15. Stocks

	2021 £	2020 £
Raw materials and consumables	263,512	809,834

16. Debtors

	2021 £	2020 £
Trade debtors	1,079,334	482,287
Amounts owed by group undertakings	1,552,754	1,397,062
Deferred tax asset	157,252	–
Prepayments and accrued income	192,347	157,974
Other debtors	120,436	146,119
	3,102,123	2,183,442

The debtors above include the following amounts falling due after more than one year:

	2021 £	2020 £
Trade debtors	–	57,634

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

17. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	20,570	610
Trade creditors	1,086,911	738,224
Amounts owed to group undertakings	1,865,263	1,856,214
Accruals and deferred income	122,028	115,975
Social security and other taxes	85,208	46,783
Other creditors	16,957	11,975
	<u>3,196,937</u>	<u>2,769,781</u>

18. Provisions

	Deferred tax (note 19) £
At 1 January 2021	34,024
Charge against provision	<u>(34,024)</u>
At 31 December 2021	<u>—</u>

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in debtors (note 16)	157,252	—
Included in provisions (note 18)	—	<u>(34,024)</u>
	<u>157,252</u>	<u>(34,024)</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	60,170	34,024
Unused tax losses	(216,605)	—
Pension plan obligations	<u>(817)</u>	<u>—</u>
	<u>(157,252)</u>	<u>34,024</u>

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £3,589 (2020: £48,684).

T&S ENTERPRISES (LONDON) LIMITED

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2021

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	<u>86,633</u>	<u>307,541</u>

22. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	55,184	315,750
Later than 1 year and not later than 5 years	972,667	1,216,750
Later than 5 years	650,146	1,300,958
	<u>1,677,997</u>	<u>2,833,458</u>

24. Controlling party

The company is a wholly owned subsidiary of Atariya Foods Limited which owns 100% of the share capital of the company.

The Company's smallest parent undertaking is Atariya Foods Limited. The address of Atariya Foods Limited is 168 Church Road, Hove, England, BN3 2DL

Atariya Foods Limited is regarded as the controlling party.

The parent of the smallest group in which the results are consolidated is Atariya Foods Limited.