

ON A ROLL SANDWICH COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2021

ON A ROLL SANDWICH COMPANY LIMITED

COMPANY INFORMATION

DIRECTOR	Mr J M Stoddart
COMPANY SECRETARY	Mrs H Stoddart
REGISTERED NUMBER	05994921
REGISTERED OFFICE	The Pantry Barton Road Middlesborough TS2 1RY
INDEPENDENT AUDITORS	Waltons Clark Whitehill Limited Chartered Accountants & Statutory Auditors Maritime House Harbour Walk The Marina Hartlepool TS24 0UX

ON A ROLL SANDWICH COMPANY LIMITED

CONTENTS

	Page
Strategic report	4 - 5
Director's report	1 - 3
Independent auditors' report	6 - 9
Statement of income and retained earnings	10
Balance sheet	11 - 12
Statement of cash flows	13 - 14
Analysis of net debt	15
Notes to the financial statements	16 - 28

ON A ROLL SANDWICH COMPANY LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2021

The director presents his report and the financial statements for the year ended 31 January 2021.

DIRECTOR'S RESPONSIBILITIES STATEMENT

The director is responsible for preparing the strategic report, the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies for the company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

PRINCIPAL ACTIVITY

The principal activity of the company during the year was that of food manufacturing and distribution.

DIRECTOR

The director who served during the year was:

Mr J M Stoddart

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021**

FUTURE DEVELOPMENTS

After what seems to have been a very long year, with Covid restrictions hitting hard across a large proportion of the main business, On A Roll Sandwich Company Ltd (OAR) are now starting to see an improvement in sales.

It will be some time before the travel sector picks up, but hopefully for the year ending 31st January 2022 OAR will see an improvement in turnover.

It appears that Brexit has also caused some issues but it is hard to say whether these are wholly related to Brexit as Covid has affected many things too. Ingredient costs are going up, staffing is proving difficult to find – again this is partly Brexit with some European workers returning home. Prospective employees have a large number of vacancies to apply for and are therefore able to pick and choose the role they want – it is certainly an employees market at the moment. Transport seems to be struggling the most, as drivers are in high demand – particularly skilled HGV drivers.

Generally, the business is managing this and looking at ways of combatting the issues it is being faced with. It is continuing to look at national coverage and how it can compete at this level with there being more opportunities arising in that sector.

By the final quarter of the next financial year OAR expect to have a rolling turnover of around £20m.

RESEARCH AND DEVELOPMENT ACTIVITIES

Research and development projects continued to include:

Development of sandwich packaging with improved sealing for freshness and prevention of tampering and contamination.

Development of heatproof inks and films which can then be used on sandwiches which are reheated by the wholesale and travel sectors.

Development of a new easy-to-use sandwich packaging for elderly hospital patients. Improved automation to the production process.

MATTERS COVERED IN THE STRATEGIC REPORT

The business review, principal risks and uncertainties and financial key performance indicators are included in the strategic report.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

ON A ROLL SANDWICH COMPANY LIMITED

**DIRECTOR'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021**

AUDITORS

The auditors, Waltons Clark Whitehill Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

Mr J M Stoddart

Director

Date: 25 October 2021

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

BUSINESS REVIEW

The company has managed Covid by just working on getting through the pandemic and feels it is coming out fighting on the other side.

Strategically OAR is back to the levels at the end of January 2020 and again looking at the management structure and investment required to take the business forward by improving the current offering as well as diversifying into other food to go areas.

The travel industry will hopefully be back up and running and if not back to pre-Covid levels be at least heading that way.

Two potential sites have been located to look to use as jump points for distribution and potentially build a further manufacturing unit in order to expand further geographically.

Storage and picking areas are becoming full and therefore a further unit may be needed around the head office to re-locate some of the excess.

The drop in turnover for year ending January 2021 does hide an underlying growth which if added to the previous year would show an 11% increase in turnover. Current forecasts are around a conservative £16-18m turnover – but if the travel industry does return this will be above £20m.

PRINCIPAL RISKS AND UNCERTAINTIES

Key areas within the business are being reviewed constantly as they are key requirements for customers. Packaging is one area that customers want to see changes in. As such OAR have introduced new packaging that is more environmentally friendly but are continuing to work to get down to zero waste. The manufacturers of packaging are still innovating and trying to resolve the recyclability of plastic alternatives as well as card packs without plastic windows.

As last year, Brexit and food inflation are still the biggest concern for OAR. The KPI results show purchases at a slightly higher percentage to that of last year but it is unclear if this is as a result of Brexit or the current volatility of the market. Labour is now the bigger problem as minimum wage is increasing faster than the prices that can be charged onto customers. Improving the management structure means that the overheads are going up but this should start to level off as OAR bring in new business.

The food to go market remains very volatile and competitors can be aggressive in their sales approach.

Pricing is still being reviewed on a regular basis together with market and competitor information.

The effect of covid-19 on the business continues to bring a level of uncertainty to the short term results of the business until the travel industry returns to pre Covid levels.

ON A ROLL SANDWICH COMPANY LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

FINANCIAL KEY PERFORMANCE INDICATORS

The board monitors company performance using a range of indicators, some of the most significant of which are as follows:

Key performance indicators	2021	2020	2019	2018	2017
Sales growth/(reduction)	-18.6%	18.1%	-5.7%	72.8%	26.2%
Target for purchases as a % of sales - 50%	52.8%	50.4%	51.3%	52.6%	49.3%
Net profit target - 10%	2.0%	4.6%	6.9%	6.6%	6.5%
Direct employee costs as a % of sales target - 20%	30.7%	22.8%	19.8%	19.5%	21.0%

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

Mr J M Stoddart
Director

Date: 25 October 2021

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF ON A ROLL SANDWICH COMPANY LIMITED

UNQUALIFIED OPINION

We have audited the financial statements of On a Roll Sandwich Company Limited (the 'company') for the year ended 31 January 2021, which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 director with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF ON A ROLL SANDWICH COMPANY LIMITED (CONTINUED)

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our auditors' report thereon. The director is responsible for the other information contained within the Annual Report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 director's 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 director's 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 director's responsibilities statement set out on page 1, the director is 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 director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF ON A ROLL SANDWICH COMPANY LIMITED (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the area in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We identified the greatest potential for fraud in the following areas: existence and timing of recognition of income, the posting of unusual journals and deletion of transactions. We discussed these risks with management and designed audit procedures to test the timing and existence of revenue. We reviewed journals posted during the year and around the year end to look for potential "window dressing". We reviewed deleted transactions for evidence that they were necessary to be removed.

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

ON A ROLL SANDWICH COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDER OF ON A ROLL SANDWICH COMPANY LIMITED (CONTINUED)

USE OF OUR REPORT

This report is made solely to the company's shareholders, 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 shareholders those matters we are required to state to them in an auditors' 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 shareholders, as a body, for our audit work, for this report, or for the opinions we have formed.

Heather O'Driscoll FCA (senior statutory auditor)

for and on behalf of

Waltons Clark Whitehill Limited

Chartered Accountants

Statutory Auditors

Maritime House

Harbour Walk

The Marina

Hartlepool

TS24 0UX

26 October 2021

ON A ROLL SANDWICH COMPANY LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 JANUARY 2021

	Note	2021 £	2020 £
Turnover	3	14,246,158	17,508,901
Cost of sales		(10,933,825)	(13,025,757)
GROSS PROFIT		3,312,333	4,483,144
Distribution costs		(1,396,518)	(1,569,799)
Administrative expenses		(1,788,263)	(2,082,038)
Other operating income	4	210,160	25,780
OPERATING PROFIT	5	337,712	857,087
Interest receivable and similar income	9	534	1,516
Interest payable and expenses	10	(49,969)	(45,380)
PROFIT BEFORE TAX		288,277	813,223
Tax on profit	11	100,500	(146,903)
PROFIT AFTER TAX		388,777	666,320
Retained earnings at the beginning of the year		3,948,616	3,425,296
		3,948,616	3,425,296
Profit for the year		388,777	666,320
Dividends declared and paid		(99,000)	(143,000)
RETAINED EARNINGS AT THE END OF THE YEAR		4,238,393	3,948,616

The notes on pages 16 to 28 form part of these financial statements.

ON A ROLL SANDWICH COMPANY LIMITED
REGISTERED NUMBER: 05994921

BALANCE SHEET
AS AT 31 JANUARY 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	13	4,334,477	4,589,403
Investments	14	1,080	1,080
		<u>4,335,557</u>	<u>4,590,483</u>
CURRENT ASSETS			
Stocks	15	669,901	804,533
Debtors: amounts falling due within one year	16	1,610,601	2,448,229
Cash at bank and in hand	17	2,465,394	959,580
		<u>4,745,896</u>	<u>4,212,342</u>
Creditors: amounts falling due within one year	18	(1,648,271)	(2,934,167)
		<u>3,097,625</u>	<u>1,278,175</u>
NET CURRENT ASSETS			
		<u>7,433,182</u>	<u>5,868,658</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
Creditors: amounts falling due after more than one year	19	(2,158,360)	(835,821)
PROVISIONS FOR LIABILITIES			
Deferred tax	23	(501,352)	(526,839)
Other provisions	24	(534,977)	(557,282)
		<u>(1,036,329)</u>	<u>(1,084,121)</u>
NET ASSETS			
		<u><u>4,238,493</u></u>	<u><u>3,948,716</u></u>
CAPITAL AND RESERVES			
Called up share capital	25	100	100
Profit and loss account	26	4,238,393	3,948,616
		<u><u>4,238,493</u></u>	<u><u>3,948,716</u></u>

ON A ROLL SANDWICH COMPANY LIMITED
REGISTERED NUMBER: 05994921

BALANCE SHEET (CONTINUED)
AS AT 31 JANUARY 2021

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

Mr J M Stoddart
Director

Date: 25 October 2021

The notes on pages 16 to 28 form part of these financial statements.

ON A ROLL SANDWICH COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2021

	2021 £	2020 £
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	388,777	666,320
ADJUSTMENTS FOR:		
Depreciation of tangible assets	317,114	304,355
Profit on disposal of tangible assets	(15,650)	-
Government grants released	(22,305)	(25,780)
Interest paid	49,969	45,380
Interest received	(534)	(1,516)
Taxation charge	(100,500)	146,903
Decrease/(increase) in stocks	134,632	(372,052)
Decrease/(increase) in debtors	914,380	(574,709)
(Decrease)/increase in creditors	(1,401,387)	1,204,640
Corporation tax (paid)	(123,249)	(189,256)
NET CASH GENERATED FROM OPERATING ACTIVITIES	141,247	1,204,285
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible fixed assets	(62,188)	(309,879)
Sale of tangible fixed assets	15,650	-
Government grants received	-	3,475
Interest received	534	1,516
HP interest paid	(17,005)	(6,252)
NET CASH FROM INVESTING ACTIVITIES	(63,009)	(311,140)

ON A ROLL SANDWICH COMPANY LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2021

	2021 £	2020 £
CASH FLOWS FROM FINANCING ACTIVITIES		
New secured loans	1,500,000	-
Repayment of loans	(93,500)	(242,134)
Repayment of/new finance leases	153,040	(160,511)
Dividends paid	(99,000)	(143,000)
Interest paid	(32,964)	(39,128)
NET CASH USED IN FINANCING ACTIVITIES	1,427,576	(584,773)
INCREASE IN CASH AND CASH EQUIVALENTS	1,505,814	308,372
Cash and cash equivalents at beginning of year	959,580	651,208
CASH AND CASH EQUIVALENTS AT THE END OF YEAR	2,465,394	959,580
CASH AND CASH EQUIVALENTS AT THE END OF YEAR COMPRISE:		
Cash at bank and in hand	2,465,394	959,580
	2,465,394	959,580

The notes on pages 16 to 28 form part of these financial statements.

ON A ROLL SANDWICH COMPANY LIMITED

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 JANUARY 2021

	At 1 February 2020 £	Cash flows £	New finance leases £	At 31 January 2021 £
Cash at bank and in hand	959,580	1,505,814	-	2,465,394
Debt due after 1 year	(691,303)	(1,242,500)	-	(1,933,803)
Debt due within 1 year	(93,500)	(164,000)	-	(257,500)
Finance leases	(214,747)	67,221	(220,259)	(367,785)
	<u>(39,970)</u>	<u>166,535</u>	<u>(220,259)</u>	<u>(93,694)</u>

The notes on pages 16 to 28 form part of these financial statements.

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

1. GENERAL INFORMATION

The company is a private company limited by share capital and registered in England and Wales. The registered office address is:

The Pantry

Barton Road

Middlesbrough

TS2 1RY

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

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

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

2.2 Going concern

The director, having made due and careful enquiry, is of the opinion that the company has, with the support of the bank and invoice discounting arrangement, adequate working capital to execute its operations over the next 12 months. The director, therefore, has made an informed judgement, at the time of approving the financial statements, that there is reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result the director has continued to adopt the going concern basis of accounting in preparing the annual financial statements.

2.3 Revenue

Revenue comprises revenue recognised by the company in respect of goods supplied during the year, exclusive of Value Added Tax.

Revenue is recognised when the company has transferred ownership of goods to the buyer and revenue can be measured reliably.

2.4 Invoice discounting

The company obtains finance in respect of trade debtors under an invoice discounting arrangement. This is regarded as a financing arrangement only, and the gross amount of the trade debtor is included in debtors with any advances received against these debts being included in other creditors. Interest and charges in respect of these arrangements are charged to the profit and loss on an accruals basis.

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

2. ACCOUNTING POLICIES (CONTINUED)

2.5 Tangible fixed assets

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

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 50 years
Plant & machinery	- 8 years
Motor vehicles	- 4 years
Fixtures & fittings	- 4 years

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

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

2.6 Stocks

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

2.7 Financial instruments

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

3. TURNOVER

All turnover arose within the United Kingdom.

ON A ROLL SANDWICH COMPANY LIMITED

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

4. OTHER OPERATING INCOME

	2021 £	2020 £
Government grants received	187,855	-
Government grants released	22,305	25,780
	<u>210,160</u>	<u>25,780</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Research & development charged as an expense	390,000	316,743
Depreciation of tangible fixed assets	317,114	304,354
Defined contribution pension cost	74,905	98,919
Government grants released	<u>22,305</u>	<u>25,780</u>

6. AUDITORS' REMUNERATION

	2021 £	2020 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	<u>5,200</u>	<u>5,000</u>

FEES PAYABLE TO THE COMPANY'S AUDITOR AND ITS ASSOCIATES IN RESPECT
OF:

	2021	2020
Other services relating to taxation	871	838
All other services	5,703	5,485
	<u>6,574</u>	<u>6,323</u>

ON A ROLL SANDWICH COMPANY LIMITED

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

7. EMPLOYEES

Staff costs, including director's remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	4,054,091	3,875,904
Social security costs	250,029	249,817
Cost of defined contribution schemes	74,905	160,800
	<u>4,379,025</u>	<u>4,286,521</u>

Total remuneration to key management personnel was £23,000 (2020: £23,000).

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

	2021 No.	2020 No.
Production	227	200
Admin and directors	17	20
Quality assurance department	15	13
Maintenance	3	3
	<u>262</u>	<u>236</u>

8. DIRECTOR'S REMUNERATION

	2021 £	2020 £
Director's emoluments	11,508	11,500
Company contributions to defined contribution pension schemes	7,400	53,750
	<u>18,908</u>	<u>65,250</u>

During the year retirement benefits were accruing to 1 director (2020 - 1) in respect of defined contribution pension schemes.

ON A ROLL SANDWICH COMPANY LIMITED

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

9. INTEREST RECEIVABLE

	2021 £	2020 £
Other interest receivable	534	1,516
	<u>534</u>	<u>1,516</u>

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £	2020 £
Bank interest payable	32,964	39,128
Finance leases and hire purchase contracts	17,005	6,252
	<u>49,969</u>	<u>45,380</u>

11. TAXATION

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	3,244	124,756
Adjustments in respect of previous periods	(78,257)	(4,238)
	<u>(75,013)</u>	<u>120,518</u>
Deferred tax		
Origination and reversal of timing differences	(25,487)	26,385
Total deferred tax	<u>(25,487)</u>	<u>26,385</u>
Taxation on profit on ordinary activities	<u>(100,500)</u>	<u>146,903</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

11. TAXATION (CONTINUED)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - *lower than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>288,278</u>	<u>813,223</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	54,773	154,512
Effects of:		
Expenses not deductible for tax purposes	229	157
Capital allowances for year in excess of depreciation	29,655	(25,675)
Adjustments to tax charge in respect of prior periods	(78,257)	(4,238)
Short term timing difference leading to an increase (decrease) in taxation	(28,562)	26,385
Non-taxable income	(4,238)	(4,238)
Adjustment in research and development tax credit leading to a (decrease) in the tax charge	(74,100)	-
Total tax charge for the year	<u>(100,500)</u>	<u>146,903</u>

Factors that may affect future tax changes

There were no factors that may affect future tax charges.

12. DIVIDENDS

	2021 £	2020 £
Ordinary dividend	99,000	143,000
	<u>99,000</u>	<u>143,000</u>

ON A ROLL SANDWICH COMPANY LIMITED

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

13. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost					
At 1 February 2020	3,918,249	2,246,889	18,400	101,150	6,284,688
Additions	11,321	49,310	-	1,557	62,188
At 31 January 2021	3,929,570	2,296,199	18,400	102,707	6,346,876
Depreciation					
At 1 February 2020	466,139	1,129,038	18,400	81,708	1,695,285
Charge for the year on owned assets	69,224	120,412	-	8,365	198,001
Charge for the year on financed assets	-	119,113	-	-	119,113
At 31 January 2021	535,363	1,368,563	18,400	90,073	2,012,399
Net book value					
At 31 January 2021	3,394,207	927,636	-	12,634	4,334,477
At 31 January 2020	3,452,110	1,117,851	-	19,442	4,589,403

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

	2021 £	2020 £
Freehold	3,394,207	3,452,110
	<u>3,394,207</u>	<u>3,452,110</u>

ON A ROLL SANDWICH COMPANY LIMITED

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

13. TANGIBLE FIXED ASSETS (CONTINUED)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	686,047	524,433
	<u>686,047</u>	<u>524,433</u>

14. FIXED ASSET INVESTMENTS

	Unlisted investments £
At 1 February 2020	1,080
	<u> </u>
At 31 January 2021	<u>1,080</u>

15. STOCKS

	2021 £	2020 £
Raw materials and consumables	582,303	606,204
Finished goods and goods for resale	87,598	198,329
	<u>669,901</u>	<u>804,533</u>

Impairment losses totalling £24,686 (2020 - £Nil) were recognised in profit and loss.

ON A ROLL SANDWICH COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

16. DEBTORS

	2021	2020
	£	£
Trade debtors	1,057,799	2,246,352
Other debtors	525,736	171,081
Prepayments and accrued income	27,066	30,796
	<u>1,610,601</u>	<u>2,448,229</u>

Of the trade debtors 100% (2020: 100%) are held under a financing arrangement at the year end.

17. CASH AND CASH EQUIVALENTS

	2021	2020
	£	£
Cash at bank and in hand	2,465,394	959,580
	<u>2,465,394</u>	<u>959,580</u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans	257,500	93,500
Trade creditors	770,249	1,388,854
Corporation tax	3,244	124,756
Other taxation and social security	48,149	60,584
Obligations under finance lease and hire purchase contracts	143,228	70,229
Other creditors	199,320	941,124
Accruals and deferred income	226,581	255,120
	<u>1,648,271</u>	<u>2,934,167</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2021**

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

	2021 £	2020 £
Bank loans	1,933,803	691,303
Net obligations under finance leases and hire purchase contracts	224,557	144,518
	<u>2,158,360</u>	<u>835,821</u>

The following liabilities were secured:

The net obligation under finance leases and hire purchase contracts are secured upon the assets to which they relate.

At 31 January 2021 £Nil (1 February 2020: £753,621) was included in other creditors and relates to balances outstanding in respect of invoice discounting. This is secured on the trade debtors to which it relates.

The bank loans are secured by a charge over freehold land and buildings. One loan of £691,303 is repayable in equal quarterly instalments and interest is charged at 1.95% above the Bank's Base rate. The other loan of £1,500,000 is due to expire in November 2027 and is repayable in monthly installments with interest charged at 2.09% above the Bank's Base rate from November 2021.

20. LOANS

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within 1 year		
Bank loans	257,500	93,500
Amounts falling due 1-2 years		
Bank loans	482,500	62,500
Amounts falling due 2-5 years		
Bank loans	1,226,303	188,500
Amounts falling due after more than 5 years		
Bank loans	<u>225,000</u>	<u>440,303</u>

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

21. HIRE PURCHASE AND FINANCE LEASES

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	143,228	70,229
Between 1-5 years	224,557	144,518
	<u>367,785</u>	<u>214,747</u>

22. FINANCIAL INSTRUMENTS

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	2,465,394	959,580
Financial assets that are debt instruments measured at amortised cost	1,583,535	2,417,433
	<u>4,048,929</u>	<u>3,377,013</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(3,803,387)</u>	<u>(3,645,232)</u>

Financial assets measured at fair value through profit or loss comprise cash in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors, VAT repayable.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, PAYE liabilities, obligations under finance lease and hire purchase contracts, accruals and other creditors.

ON A ROLL SANDWICH COMPANY LIMITED

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

23. DEFERRED TAXATION

	2021 £	2020 £
At beginning of year	526,839	500,454
Charged to the profit or loss	(25,487)	26,385
At 31 January 2021	501,352	526,839

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	501,352	526,839
	501,352	526,839

24. GRANTS

	Grants £
At 1 February 2020	557,282
Utilised in year	(22,305)
At 31 January 2021	534,977

25. SHARE CAPITAL

	2021 £	2020 £
Allotted, called up and fully paid		
100 (2020 - 100) Ordinary shares of £1.00 each	100	100

26. RESERVES

Profit & loss account

The profit and loss account represents accumulated profits less dividends paid.

ON A ROLL SANDWICH COMPANY LIMITED

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

27. CAPITAL COMMITMENTS

At 31 January 2021 the company had capital commitments as follows:

	2021 £	2020 £
Contracted for but not provided in these financial statements	361,474	-
	<u>361,474</u>	<u>-</u>

28. PENSION COMMITMENTS

Included within other creditors is an amount of £2,554 (*1 February 2020: £1,239*) in relation to outstanding pension contributions.

29. RELATED PARTY TRANSACTIONS

At 31 January 2021 £32,806 (*1 February 2020: £8,547 due to*) was due from the director and his wife. This was the maximum balance outstanding during the year.

Dividends of £99,000 were paid to the director and his wife during the year.

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