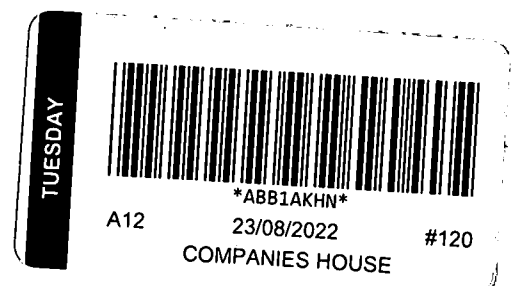


Company Registration No. 06224973 (England and Wales)

**ALSICO LAUCUBA LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 DECEMBER 2021**



# ALSICO LAUCUBA LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	D Toon E L Farmer D R Turner C Clarke M Goodare G A Collis
<b>Secretary</b>	Mrs E L Farmer
<b>Company number</b>	06224973
<b>Registered office</b>	Alsico Laucuba Ltd Pittman Way Fulwood Preston PR2 9ZD
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Bluebell House Brian Johnson Way Preston Lancashire PR2 5PE
<b>Business address</b>	Alsico Laucuba Ltd Pittman Way Fulwood Preston PR2 9ZD
<b>Bankers</b>	KBC Bank NV Fifth Floor 111 Old Broad Street London EC2N 1BR

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# ALSICO LAUCUBA LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present the strategic report for the year ended 31 December 2021.

#### Fair review of the business

The group and company continues to develop clothing for people at work, for specific occupations and to counter identified risks that the staff of customer businesses face at work.

Turnover grew 7.4% in 2021 as the traditional customer demand returned to be more in line with historic trading patterns. As a result of the pandemic and the increased demand within the healthcare sector the group was able to retain some of these customers and organically grow the healthcare base going forward.

During the year dividends were received of £48,399 (2020: £170,373) from a group company in which an investment was held.

Cash at bank and in hand at the year end totalled £249,956 (2020: £2,972,676). The decrease relates to the investment in stock to support the business growth.

After dividends of £2,892,003 (2020: £2,471,208), the net assets of the group have increased by £664,610 (2020: £113,272), and the company's net assets have increased by £2,005,594 (2020: decreased by £243,710).

#### Principal risks and uncertainties

The group and the company are exposed to a moderate level of cost price risk, foreign exchange risk, credit risk, liquidity risk and cash flow risk.

The group manages these risks by ensuring it has a range of customers and access to several supplier factories, by forward buying of currency and by financing its operations through retained profits to fund expansion or capital expenditure programmes.

The management objectives are to retain sufficient liquid funds to enable it to meet its day to day requirements, minimise the group's exposure to fluctuating interest rates.

The directors have assessed the main risk facing the group and company as being competition and the economic climate including the strength of sterling.

#### Development and performance

At the year end, group shareholders' funds amounted to £15,228,034 including profit and loss reserves of £14,901,254. The Directors believe the group's position to be financially robust particularly given that current assets exceed current liabilities to the extent of £14,651,030.

The company's shareholder's funds amounted to £17,413,980, including profit and loss reserves of £17,087,200.

The group and company have a relatively consistent customer base and the buying pattern of those customers can be cyclical.

#### Key performance indicators

	2021	2020
Turnover	£39,617,934	£36,887,904
Gross Profit	31.7%	32.4%
Operating Profit	£4,352,185	£2,996,633

The directors monitor the performance of the business by reference to management information. The directors are satisfied with the performance of the business during the year.

#### Matters of strategic importance

The group continues to focus on providing high quality products and a first-class service to its customer base.

## ALSICO LAUCUBA LIMITED

### STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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#### Future plans

The directors believe the group and company are well positioned to continue to trade profitably and maintain their market position.

#### Covid-19

The Covid-19 pandemic has not had any significant impact on the operations of the group at the time of approving these financial statements. The Directors have identified measures which could be taken to mitigate any adverse financial impact of a re-occurrence outbreak. The directors continue to produce forecasts which take into account the potential impact of future outbreaks and which demonstrate that the group should be able to continue to operate as a going concern for the foreseeable future.

On behalf of the board



.....  
E L Farmer  
Director

Date: 9 May 2022

# ALSICO LAUCUBA LIMITED

## DIRECTORS' REPORT

### FOR THE YEAR ENDED 31 DECEMBER 2021

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

#### Principal activities

The principal activity of the company and group continued to be that of the supply of workwear.

#### Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £2,892,003 (2020: £2,471,208). The directors do not recommend payment of a further dividend.

#### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D Toon

E L Farmer

D R Turner

C Clarke

K Mayes

(Resigned 31 December 2021)

M Goodare

(Appointed 9 August 2021)

G A Collis

(Appointed 9 August 2021)

#### Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

#### Research and development

The group continued to widen and strengthen its product base through investment in in-house development and technical enhancement of its products. Research and development costs were incurred in the year in relation to the development of products to meet health and safety standards and quality purposes for specific customer requirements or projects.

#### Auditor

RSM UK Audit LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in the absence of an Annual General Meeting.

#### Strategic report

The group has chosen in accordance with Companies Act 2006, s.414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

#### Statement of disclosure to auditor

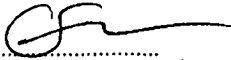
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

# **ALSICO LAUCUBA LIMITED**

## **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021**

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On behalf of the board



.....  
E L Farmer  
Director

Date: 9 May 2022  
.....

# ALSICO LAUCUBA LIMITED

## DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors are responsible for preparing the Strategic Report and the 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALSICO LAUCUBA LIMITED**

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## **Opinion**

We have audited the financial statements of Alsico Laucuba Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the consolidated statement of comprehensive income, the consolidated balance sheet, the company balance sheet, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including 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 group's and of the parent company's affairs as at 31 December 2021 and of the group's 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 group and parent 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 group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## **Other information**

The 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 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.

## **Opinions on other matters prescribed by the Companies Act 2006**

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



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALSICO LAUCUBA LIMITED (CONTINUED)**

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### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and the parent company and their 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 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 directors' responsibilities statement set out on page 5, 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.

### **The extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALSICO LAUCUBA LIMITED (CONTINUED)

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As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to health and safety. We performed audit procedures to inquire of management and those charged with governance whether the group and parent company are in compliance with these law and regulations including a review of board minutes and requested sight of any relevant correspondence.

The group audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business, assessing whether the judgements made in making accounting estimates are indicative of potential bias. We tested a sample of revenue transactions recognised either side of the reporting date to determine whether revenue was recorded in the correct period. We also performed analytical procedures on revenue by reviewing the overall reconciliation between revenue, cash and receivables.

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

### 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.



Karen Musgrave (Senior Statutory Auditor)  
For and on behalf of RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Bluebell House  
Brian Johnson Way  
Preston  
Lancashire, PR2 5PE  
18/5/22

# ALSICO LAUCUBA LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	39,617,934	36,887,904
Cost of sales		(27,048,015)	(24,920,175)
<b>Gross profit</b>		12,569,919	11,967,729
Distribution costs		(204,555)	(311,889)
<i>Analysis of administrative expenses:</i>			
Administrative expenses- non exceptional		(8,024,367)	(8,328,837)
Administrative expenses- exceptional	<b>4</b>	-	(534,350)
Administrative expenses		(8,024,367)	(8,863,187)
Other operating income		11,188	203,980
<b>Operating profit</b>	<b>7</b>	4,352,185	2,996,633
Interest receivable and similar income	<b>9</b>	48,503	170,951
Interest payable and similar expenses	<b>10</b>	(163)	-
<b>Profit before taxation</b>		4,400,525	3,167,584
Tax on profit	<b>11</b>	(843,912)	(583,104)
<b>Profit for the financial year</b>		3,556,613	2,584,480

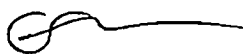
Profit for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

**ALSICO LAUCUBA LIMITED****CONSOLIDATED BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	13	29,702		38,412	
Tangible assets	14	611,124		708,697	
		<u>640,826</u>		<u>747,109</u>	
<b>Current assets</b>					
Stocks	17	10,320,308		7,869,982	
Debtors	18	12,231,697		8,690,973	
Cash at bank and in hand		249,956		2,972,676	
		<u>22,801,961</u>		<u>19,533,631</u>	
<b>Creditors: amounts falling due within one year</b>	19	<u>(8,150,931)</u>		<u>(5,717,316)</u>	
<b>Net current assets</b>		<u>14,651,030</u>		<u>13,816,315</u>	
<b>Total assets less current liabilities</b>		<u>15,291,856</u>		<u>14,563,424</u>	
<b>Provisions for liabilities</b>	21	<u>(63,822)</u>		<u>-</u>	
<b>Net assets</b>		<u>15,228,034</u>		<u>14,563,424</u>	
<b>Capital and reserves</b>					
Called up share capital	23	326,780		326,780	
Profit and loss reserves	24	14,901,254		14,236,644	
<b>Total equity</b>		<u>15,228,034</u>		<u>14,563,424</u>	

The financial statements were approved by the board of directors and authorised for issue on 9 May 2022 and are signed on its behalf by:


  
 .....  
 E L Farmer  
 Director

**ALSICO LAUCUBA LIMITED****COMPANY BALANCE SHEET****AS AT 31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	13	29,702		38,412	
Tangible assets	14	321,027		399,943	
Investments	15	2,412,005		2,412,005	
		<u>2,762,734</u>		<u>2,850,360</u>	
<b>Current assets</b>					
Stocks	17	10,320,308		7,869,982	
Debtors	18	12,444,855		8,462,759	
Cash at bank and in hand		105,029		1,306,500	
		<u>22,870,192</u>		<u>17,639,241</u>	
<b>Creditors: amounts falling due within one year</b>	19	<u>(8,157,366)</u>		<u>(5,081,215)</u>	
<b>Net current assets</b>		<u>14,712,826</u>		<u>12,558,026</u>	
<b>Total assets less current liabilities</b>		<u>17,475,560</u>		<u>15,408,386</u>	
<b>Provisions for liabilities</b>	21	<u>(61,580)</u>		<u>-</u>	
<b>Net assets</b>		<u><u>17,413,980</u></u>		<u><u>15,408,386</u></u>	
<b>Capital and reserves</b>					
Called up share capital	23	326,780		326,780	
Profit and loss reserves	24	17,087,200		15,081,606	
<b>Total equity</b>		<u><u>17,413,980</u></u>		<u><u>15,408,386</u></u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £4,897,597 (2020: £2,227,498 profit).

The financial statements were approved by the board of directors and authorised for issue on 9 May 2022 and are signed on its behalf by:

  
 .....  
 E L Farmer  
 Director

# ALSICO LAUCUBA LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>		326,780	14,123,372	14,450,152
<b>Year ended 31 December 2020:</b>				
Profit and total comprehensive income for the year		-	2,584,480	2,584,480
Dividends	12	-	(2,471,208)	(2,471,208)
<b>Balance at 31 December 2020</b>		326,780	14,236,644	14,563,424
<b>Year ended 31 December 2021:</b>				
Profit and total comprehensive income for the year		-	3,556,613	3,556,613
Dividends	12	-	(2,892,003)	(2,892,003)
<b>Balance at 31 December 2021</b>		326,780	14,901,254	15,228,034

# ALSICO LAUCUBA LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2020</b>		326,780	15,325,316	15,652,096
<b>Year ended 31 December 2020:</b>				
Profit and total comprehensive income for the year		-	2,227,498	2,227,498
Dividends	12	-	(2,471,208)	(2,471,208)
<b>Balance at 31 December 2020</b>		326,780	15,081,606	15,408,386
<b>Year ended 31 December 2021:</b>				
Profit and total comprehensive income for the year		-	4,897,597	4,897,597
Dividends	12	-	(2,892,003)	(2,892,003)
<b>Balance at 31 December 2021</b>		326,780	17,087,200	17,413,980

# ALSICO LAUCUBA LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	635,185		4,817,645	
Interest paid		(163)		-	
Income taxes paid		(430,105)		(1,216,768)	
<b>Net cash inflow from operating activities</b>		204,917		3,600,877	
<b>Investing activities</b>					
Purchase of intangible assets		(12,053)		(31,000)	
Purchase of tangible fixed assets		(86,713)		(334,686)	
Proceeds on disposal of tangible fixed assets		14,629		26,479	
Interest received		104		578	
Dividends received		48,399		170,373	
<b>Net cash used in investing activities</b>		(35,634)		(168,256)	
<b>Financing activities</b>					
Dividends paid to equity shareholders		(2,892,003)		(2,471,208)	
<b>Net cash used in financing activities</b>		(2,892,003)		(2,471,208)	
<b>Net (decrease)/increase in cash and cash equivalents</b>		(2,722,720)		961,413	
Cash and cash equivalents at beginning of year		2,972,676		2,011,263	
<b>Cash and cash equivalents at end of year</b>		249,956		2,972,676	



# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### Company information

Alsico Laucuba Limited ("the company") is a private company limited by shares, and is registered, domiciled and incorporated in England and Wales. The registered office is Alsico Laucuba Ltd, Pittman Way, Fulwood, Preston, PR2 9ZD.

The group consists of Alsico Laucuba Limited and its subsidiary, Meltemi Limited.

The company's and the group's principal activities and nature of the company's operations and the group's operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized companies and Group (Accounts and Reports) Regulations 2008, and under the historical cost convention.

The consolidated financial statements are presented in sterling which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest whole £, except where otherwise stated.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values changes recognised in profit or loss;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

#### Basis of consolidation

The consolidated financial statements incorporate those of Alsico Laucuba Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes. All financial statements are made up to 31 December 2021.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies (Continued)

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

#### Going concern

In assessing the ability of the company and group to continue to operate as a going concern for the foreseeable future, the directors have considered scenarios which have involved a degree of judgement based upon experience of the sector, forecast activity and the cash resources available to ensure that the financial statements can be prepared on the going concern basis. Since the significance of the economic impacts of the COVID-19 outbreak have become apparent, the directors have reviewed in detail the group's position and the appropriate basis on which to prepare the financial statements.

Even with the overall disruption caused by the virus there has been no significant financial impact on the group's operating model as a result of the working guidelines introduced by government following the outbreak of the virus. The directors have considered detailed projections to June 2023 to stress test the financial resilience of the group. The directors have seen an increase in the traditional customer base across 2021 vs 2020 and although 2022 will be a challenging year with cost increases the growth forecasts, new business wins and customer pipelines support preparation of the financial statements on a going concern basis. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

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

#### Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

#### Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Software	33.3% straight line
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# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies (Continued)

#### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold property	2.5% straight line
Leasehold property	20% straight line
Plant and machinery	15% - 33.3% straight line
Fixtures and fittings	20% - 25% straight line
IT equipment	33.3% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

#### **Fixed asset investments**

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

#### **Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies (Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors and amounts owed to group undertakings are initially recognised at transaction price.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Other financial liabilities***

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies (Continued)

#### Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

#### Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

#### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

#### Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies (Continued)

#### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

The government grant income received during the current and prior year related to the Government's Coronavirus Job Retention Scheme.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### **Foreign exchange**

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss.

#### **Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The directors do not consider there are any critical accounting estimates or judgements.

#### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### **Stock provision**

The directors have made estimates and judgements in respect of the recoverable value of finished goods and made provision for any possible slow moving/obsolete stock.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2021 £	2020 £
<b>Turnover analysed by class of business</b>		
Sales	39,617,934	36,887,904
	2021 £	2020 £
<b>Other revenue</b>		
Interest income	104	578
Dividends received	48,399	170,373
Grants received	11,188	203,980
	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	39,009,097	35,833,832
Overseas	608,837	1,054,072
	39,617,934	36,887,904

### 4 Exceptional costs

	2021 £	2020 £
Impairment of investment	-	65,537
Restructuring costs	-	468,813

The costs identified as exceptional in the prior year are in relation to the redundancy costs incurred as a result of the closure of the Meltemi Ltd Norwich site, along with an impairment in relation to an unlisted investment held.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 5 Employees

The average monthly number of persons (including directors) employed during the year was:

	<b>Group 2021 Number</b>	<b>2020 Number</b>	<b>Company 2021 Number</b>	<b>2020 Number</b>
Sales	28	33	28	24
Administration	30	45	30	34
Production	20	12	20	9
Warehouse	27	26	27	21
<b>Total</b>	<b>105</b>	<b>116</b>	<b>105</b>	<b>88</b>

Their aggregate remuneration comprised:

	<b>Group 2021 £</b>	<b>2020 £</b>	<b>Company 2021 £</b>	<b>2020 £</b>
Wages and salaries	3,980,333	4,895,226	3,980,333	3,934,973
Social security costs	290,894	309,058	290,894	306,986
Pension costs	368,617	370,737	368,617	338,479
	<b>4,639,844</b>	<b>5,575,021</b>	<b>4,639,844</b>	<b>4,580,438</b>

### 6 Directors' remuneration

	<b>2021 £</b>	<b>2020 £</b>
Remuneration for qualifying services	1,032,111	1,389,083
Company pension contributions to defined contribution schemes	59,999	62,449
	<b>1,092,110</b>	<b>1,451,532</b>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2020: 3).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	<b>2021 £</b>	<b>2020 £</b>
Remuneration for qualifying services	277,090	726,965
Company pension contributions to defined contribution schemes	42,004	-



# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 7 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(139,789)	60,876
Government grants	(11,188)	(203,980)
Depreciation of owned tangible fixed assets	184,286	175,057
(Profit)/loss on disposal of tangible fixed assets	(14,629)	15,412
Amortisation of intangible assets	20,763	12,638
Operating lease charges	332,077	319,227
	<u>          </u>	<u>          </u>

The derivative financial instruments gain of £139,789 (2020: loss of £61,032) is included within cost of sales as the directors do not consider the amount material to disclose separately on the face of the consolidated statement of comprehensive income.

### 8 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	18,500	17,400
Audit of the financial statements of the company's subsidiaries	7,500	7,050
	<u>          </u>	<u>          </u>
	26,000	24,450
	<u>          </u>	<u>          </u>

### 9 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Other interest income	104	578
<b>Income from fixed asset investments</b>		
Income from shares in group undertakings	48,399	170,373
	<u>          </u>	<u>          </u>
Total income	48,503	170,951
	<u>          </u>	<u>          </u>

### 10 Interest payable and similar expenses

	2021 £	2020 £
Interest on bank overdrafts	163	-
	<u>          </u>	<u>          </u>

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 11 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	812,690	620,956
Adjustments in respect of prior periods	(66,710)	(3,466)
Total current tax	<u>745,980</u>	<u>617,490</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	20,697	(34,386)
Changes in tax rates	10,351	-
Adjustment in respect of prior periods	66,884	-
Total deferred tax	<u>97,932</u>	<u>(34,386)</u>
Total tax charge	<u>843,912</u>	<u>583,104</u>

The total tax charge for the year included in the profit and loss account can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	<u>4,400,525</u>	<u>3,167,584</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	836,100	601,841
Tax effect of expenses that are not deductible in determining taxable profit	1,768	13,198
Research and development tax credit	498	-
Under/(over) provided in prior years	(66,710)	(3,466)
Deferred tax adjustments in respect of prior years	66,884	-
Group income	-	(32,371)
Fixed asset differences	(749)	3,552
Exempt ABGH distributions	(9,196)	-
Adjustments to brought forward values	-	318
Change in deferred tax rates	15,317	32
Taxation charge	<u>843,912</u>	<u>583,104</u>

A change to the main UK corporation tax rate, announced in the Budget on 3 March 2021, was substantively enacted on 24 March 2021. The rate applicable from 1 April 2020 remained at 19%, however this will increase to 25% with effect from 1 April 2023. Deferred tax has been calculated at 25%.

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 12 Dividends

	2021 £	2020 £
Recognised as distributions to equity holders:		
Final paid	2,892,003	2,471,208

### 13 Intangible fixed assets

Group	Goodwill £	Software £	Total £
<b>Cost</b>			
At 1 January 2021	1,275,655	139,150	1,414,805
Additions	-	12,053	12,053
At 31 December 2021	1,275,655	151,203	1,426,858
<b>Amortisation and impairment</b>			
At 1 January 2021	1,275,655	100,738	1,376,393
Amortisation charged for the year	-	20,763	20,763
At 31 December 2021	1,275,655	121,501	1,397,156
<b>Carrying amount</b>			
At 31 December 2021	-	29,702	29,702
At 31 December 2020	-	38,412	38,412

Company	Software £
<b>Cost</b>	
At 1 January 2021	139,150
Additions	12,053
At 31 December 2021	151,203
<b>Amortisation and impairment</b>	
At 1 January 2021	100,738
Amortisation charged for the year	20,763
At 31 December 2021	121,501
<b>Carrying amount</b>	
At 31 December 2021	29,702
At 31 December 2020	38,412

## ALSICO LAUCUBA LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

#### 14 Tangible fixed assets

Group	Freehold property £	Leasehold property £	Plant and machinery £	Fixtures and fittings £	IT equipment £	Motor vehicles £	Total £
<b>Cost</b>							
At 1 January 2021	415,362	27,159	836,825	405,441	-	59,317	1,744,104
Additions	-	-	43,925	367	18,569	23,852	86,713
Disposals	-	-	(118,935)	(5,119)	-	(36,532)	(160,586)
At 31 December 2021	415,362	27,159	761,815	400,689	18,569	46,637	1,670,231
<b>Depreciation and impairment</b>							
At 1 January 2021	115,373	27,159	659,881	189,663	-	43,331	1,035,407
Depreciation charged in the year	17,124	-	52,483	104,216	3,276	7,187	184,286
Eliminated in respect of disposals	-	-	(118,935)	(5,119)	-	(36,532)	(160,586)
At 31 December 2021	132,497	27,159	593,429	288,760	3,276	13,986	1,059,107
<b>Carrying amount</b>							
At 31 December 2021	282,865	-	168,386	111,929	15,293	32,651	611,124
At 31 December 2020	299,989	-	176,944	215,778	-	15,986	708,697

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Company	Leasehold property £	Plant and machinery £	Fixtures and fittings £	IT equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 January 2021	27,159	655,787	405,441	-	22,785	1,111,172
Additions	-	43,925	367	18,569	23,852	86,713
Disposals	-	(24,694)	(5,119)	-	-	(29,813)
At 31 December 2021	27,159	675,018	400,689	18,569	46,637	1,168,072
<b>Depreciation and impairment</b>						
At 1 January 2021	27,159	487,308	189,963	-	6,799	711,229
Depreciation charged in the year	-	50,950	104,216	3,276	7,187	165,629
Eliminated in respect of disposals	-	(24,694)	(5,119)	-	-	(29,813)
At 31 December 2021	27,159	513,564	289,060	3,276	13,986	847,045
<b>Carrying amount</b>						
At 31 December 2021	-	161,454	111,629	15,293	32,651	321,027
At 31 December 2020	-	168,479	215,478	-	15,986	399,943

### 15 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	16	-	-	2,412,005	2,412,005

#### Movements in fixed asset investments Company

	Shares in group undertakings £
<b>Cost or valuation</b>	
At 1 January 2021 and 31 December 2021	2,412,005
<b>Carrying amount</b>	
At 31 December 2021	2,412,005
At 31 December 2020	2,412,005

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 16 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Meltemi Limited	(i)	Supply of work wear	Ordinary	100.00

(i) Alsico Laucuba Ltd Pittman Way, Fulwood, Preston, PR2 9ZD

### 17 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables	1,531,543	1,093,235	1,531,543	1,093,235
Finished goods and goods for resale	8,788,765	6,776,747	8,788,765	6,776,747
	<u>10,320,308</u>	<u>7,869,982</u>	<u>10,320,308</u>	<u>7,869,982</u>

Included in stock is a provision of £904,052 (2020: £992,589).

### 18 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Amounts falling due within one year:</b>				
Trade debtors	9,443,724	7,311,864	8,359,016	5,806,645
Corporation tax recoverable	-	286,538	-	-
Amounts owed by group undertakings	1,793,502	834,898	3,898,670	2,408,894
Derivative financial instruments	38,884	-	38,884	-
Other debtors	777,875	-	-	-
Prepayments and accrued income	177,712	223,563	148,285	213,496
	<u>12,231,697</u>	<u>8,656,863</u>	<u>12,444,855</u>	<u>8,429,035</u>

#### Amounts falling due after more than one year:

Deferred tax asset (note 21)	-	34,110	-	33,724
	<u>-</u>	<u>34,110</u>	<u>-</u>	<u>33,724</u>

<b>Total debtors</b>	<u>12,231,697</u>	<u>8,690,973</u>	<u>12,444,855</u>	<u>8,462,759</u>
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# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 19 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Trade creditors	1,924,972	861,631	1,834,029	738,226
Amounts owed to group undertakings	1,455,266	1,252,590	1,455,266	1,252,590
Corporation tax payable	29,337	-	305,258	11,310
Other taxation and social security	1,782,286	1,257,188	1,782,286	871,767
Derivative financial instruments	-	100,905	-	100,905
Other creditors	655,717	534,415	655,717	526,555
Accruals and deferred income	2,303,353	1,710,587	2,124,810	1,579,862
	<u>8,150,931</u>	<u>5,717,316</u>	<u>8,157,366</u>	<u>5,081,215</u>

HSBC bank plc held the following security over the assets of Meltemi Limited only: a General Letter of Pledge dated 06 January 2012 and a debenture including a Fixed Charge over all present freehold and leasehold property; First Fixed Charge over book and other debts, chattels, goodwill and uncalled capital, both present and future; and Floating Charge over all assets and undertakings both present and future dated 11 April 2008.

On 12 June 2020 the debenture was fully satisfied.

KBC Bank N.V. hold a debenture dated 19 March 2008 over all monies, obligations and liabilities owed or payable to it by the company.

### 20 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
<b>Carrying amount of financial assets</b>				
Instruments measured at fair value through profit or loss	38,884	-	38,884	-
<b>Carrying amount of financial liabilities</b>				
Measured at fair value through profit or loss				
- Other financial liabilities	-	100,905	-	100,905

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
<b>Group</b>				
Accelerated capital allowances	70,726	-	-	(40,853)
Other timing difference	(6,904)	-	-	74,963
	<u>63,822</u>	<u>-</u>	<u>-</u>	<u>34,110</u>
	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
<b>Company</b>				
Accelerated capital allowances	68,484	-	-	(38,922)
Other timing difference	(6,904)	-	-	72,646
	<u>61,580</u>	<u>-</u>	<u>-</u>	<u>33,724</u>
			<b>Group 2021 £</b>	<b>Company 2021 £</b>
<b>Movements in the year:</b>				
Asset at 1 January 2021			(34,110)	(33,724)
Charge to profit or loss			97,932	95,304
			<u>63,822</u>	<u>61,580</u>
Liability at 31 December 2021				

### 22 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>368,617</u>	<u>370,737</u>

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. No contributions were payable to the fund at the balance sheet date.

Included within creditors at the year end were contributions totalling £27,239 (2020: £7,515) payable to the scheme.



# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 23 Share capital

	Group and Company			
	2021	2020	2021	2020
	Number	Number	£	£
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary A of £1 each	294,102	266,623	294,102	266,623
Ordinary B of £1 each	32,678	60,157	32,678	60,157
	<u>326,780</u>	<u>326,780</u>	<u>326,780</u>	<u>326,780</u>

All classes of shares are ranked pari passu.

On 18 April 2021 27,479 Ordinary B shares were redesignated to Ordinary A shares.

### 24 Reserves

#### Profit and loss reserves

The profit and loss reserves represent cumulative profit and loss net of distributions to owners.

### 25 Cash generated from group operations

	2021	2020
	£	£
Profit for the year after tax	3,556,613	2,584,480
<b>Adjustments for:</b>		
Taxation charged	843,912	583,104
Finance costs	163	-
Investment income	(48,503)	(170,951)
(Gain)/loss on disposal of tangible fixed assets	(14,629)	15,412
Amortisation and impairment of intangible assets	20,763	12,638
Depreciation and impairment of tangible fixed assets	184,286	175,057
Impairment of investment	-	65,537
Other (gains)/losses	(139,789)	61,032
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(2,450,326)	292,089
(Increase)/decrease in debtors	(3,822,488)	613,381
Increase in creditors	2,505,183	585,866
<b>Cash generated from operations</b>	<u>635,185</u>	<u>4,817,645</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	1 January 2021 £	Cash flows £	31 December 2021 £
Cash at bank and in hand	2,972,676	(2,722,720)	249,956

There is a guarantee in place provided by HSBC bank on behalf of the group to HMRC for £30,000 (2020: £30,000).

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	12,137	10,722	11,266	5,493
Between one and five years	14,000	3,737	14,000	2,866
	<u>26,137</u>	<u>14,459</u>	<u>25,266</u>	<u>8,359</u>

During the year the group entered into the following transactions with related parties:

	<b>Sales</b>		<b>Purchases</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other related parties	2,154,628	1,539,809	20,848,984	16,663,508
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<b>Dividends paid to group companies</b>		<b>Dividends received from group companies</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other related parties	2,359,614	1,942,883	48,399	170,373

# ALSICO LAUCUBA LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 29 Related party transactions (Continued)

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021 £	2020 £
<b>Group</b>		
Other related parties	1,455,266	1,252,590

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2021 Balance £	2020 Balance £
<b>Group</b>		
Other related parties	1,793,502	834,898

#### Other information

All of the companies above are related by common control by virtue of being part of the Berphina NV, Belgium group of companies.

### 30 Directors' transactions

The group purchased business services from Kina Business Services Ltd, a company controlled by Kevin Mayes, a director, totalling £14,500 (2020: £10,000). There was no balance outstanding at the year end.

Dividends totalling £532,389 (2020: £528,325) were paid in the year in respect of shares held by the company's directors.

### 31 Controlling party

The group is controlled by Mr B Siau by way of his shareholding in Berphina NV. The group within which the accounts are consolidated is headed by the immediate parent company Berphina NV, Belgium. The consolidated accounts are available to the public.