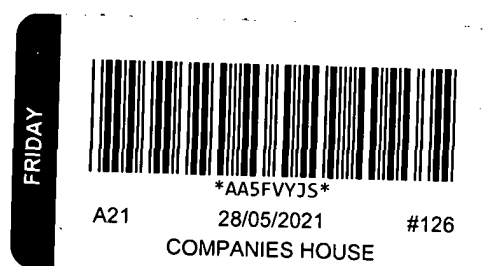


REGISTERED NUMBER: 06346491 (England and Wales)

**GOLDENS INTERNATIONAL LIMITED**  
**GROUP STRATEGIC REPORT,**  
**REPORT OF THE DIRECTOR AND**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**



**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

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	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Group Strategic Report</b>	<b>2</b>
<b>Report of the Director</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Consolidated Income Statement</b>	<b>7</b>
<b>Consolidated Other Comprehensive Income</b>	<b>8</b>
<b>Consolidated Balance Sheet</b>	<b>9</b>
<b>Company Balance Sheet</b>	<b>10</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>11</b>
<b>Company Statement of Changes in Equity</b>	<b>12</b>
<b>Consolidated Cash Flow Statement</b>	<b>13</b>
<b>Notes to the Consolidated Cash Flow Statement</b>	<b>14</b>
<b>Notes to the Consolidated Financial Statements</b>	<b>16</b>

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**GOLDENS INTERNATIONAL LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 AUGUST 2020**

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**Director:** A A Karattu Thody

**Registered office:** Second Floor  
325 Washwood Heath Road  
Birmingham  
B8 2XJ

**Registered number:** 06346491 (England and Wales)

**Auditors:** M. Parmar & Co.  
Registered Auditors  
First Floor  
244 Edgware Road  
London  
W2 1DS

**GROUP STRATEGIC REPORT  
FOR THE YEAR ENDED 31 AUGUST 2020**

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The director presents his strategic report of the company and the group for the year ended 31 August 2020.

**Review of business**

The company continues to pursue a strategy of providing a diversified range of products and leveraging economies of scale, which has again led an increase in turnover and profitability, as expected.

Turnover has increased by 1.5% during the year ended 31 August 2020 to £30,664,048 (2019: £30,232,878). There has also been an increase in profit for the year ended 31 August 2020 to £326,063 (2019: £286,791).

The company has net assets of £2,189,796 (2019: £1,863,733) and is actively seeking to take advantage of any future opportunities.

The company will continue to pursue its strategy of actively looking for new branches which fit into the business model and exploring various home delivery options.

**Principal risks and uncertainties**

The director considers the following to be the principal risks and uncertainties which could affect the group's business:

**External**

- Impact of Covid - 19 and the Covid variants on operations and the supply chain.
- Changes in health and safety regulations.
- Increases in import duties and tariffs.
- Developing brand awareness within the UK.
- Government initiatives such as furlough ending, weakening customers' budgets.
- Maintaining the same profile, delivery of service and products across an ever-expanding network of stores.
- Effects of increases in National Minimum Wage.
- Any potential adverse Brexit developments.
- Advancements in technology such as cashier-less stores.

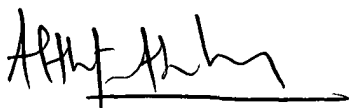
**Internal**

- Utilisation of IT systems to manage stores.
- Adequate staff training to ensure excellence in customer service.
- Tight management controls to monitor the performance of the business.
- Increased attention to supply chains and stock to respond to any future lockdowns or restrictions in the UK.
- Increased risk of staff disengagement and labour shortages due to the pandemic.

**Key performance indicators**

The director considers the key performance indicators of the business to be turnover, gross profit margin and product range.

**On behalf of the board:**



A A Karattu Thody - Director

26 May 2021

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 AUGUST 2020**

---

The director presents his report with the financial statements of the company and the group for the year ended 31 August 2020.

**Principal activity**

The principal activity of the group in the year under review was that of owning and operating a chain of retail supermarkets.

**Dividends**

No dividends will be distributed for the year ended 31 August 2020.

**Future developments**

The company will continue to pursue its strategy of actively looking to open new branches which fit into the business model and improving the range of products.

**Director**

A A Karattu Thody held office during the whole of the period from 1 September 2019 to the date of this report.

**Financial instruments**

Financial assets such as trade debtors and trade creditors arise directly from the groups operating activities and expose the group to credit and cash flow risk. The group has in place appropriate measures to mitigate and manage this risk.

**Political donations and expenditure**

During the year, the group made donations to various charities totalling £2,359 (2019: £1,983).

**Director's responsibilities statement**

The director is responsible for preparing the Group Strategic Report, the Report of the Director 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the director is required to:

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

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

The director confirms that all applicable accounting standards have been followed and there have been no material departures from the accounting standards.

**GOLDENS INTERNATIONAL LIMITED**

**REPORT OF THE DIRECTOR  
FOR THE YEAR ENDED 31 AUGUST 2020**

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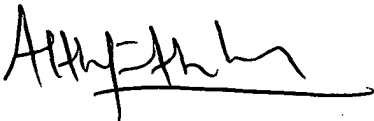
**Statement as to disclosure of information to auditors**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Auditors**

The auditors, M. Parmar & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

**On behalf of the board:**

A handwritten signature in black ink, appearing to read 'A A Karattu Thody', with a horizontal line drawn underneath it.

A A Karattu Thody - Director

26 May 2021

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GOLDENS INTERNATIONAL LIMITED

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### Opinion

We have audited the financial statements of Goldens International Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 August 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The director is responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GOLDENS INTERNATIONAL LIMITED

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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 its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Report of the Director.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 director

As explained more fully in the Director's Responsibilities Statement set out on page three, 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 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 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

### Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### Use of our report

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



Mahendra Parmar (Senior Statutory Auditor)

for and on behalf of M. Parmar & Co.

Registered Auditors

First Floor

244 Edgware Road

London

W2 1DS

26 May 2021

**GOLDENS INTERNATIONAL LIMITED**

**CONSOLIDATED INCOME STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	2019 £
<b>Turnover</b>	4	30,664,048	30,232,878
Cost of sales		(26,307,187)	(25,248,712)
<b>Gross profit</b>		4,356,861	4,984,166
Administrative expenses		(4,132,525)	(4,628,895)
		224,336	355,271
Other operating income		203,368	-
<b>Operating profit</b>	6	427,704	355,271
Profit/loss on sale of operatn	7	-	6,205
		427,704	361,476
Interest payable and similar expenses	8	(17,933)	(8,134)
<b>Profit before taxation</b>		409,771	353,342
Tax on profit	9	(83,708)	(66,551)
<b>Profit for the financial year</b>		326,063	286,791
Profit attributable to: Owners of the parent		326,063	286,791

The notes form part of these financial statements

**GOLDENS INTERNATIONAL LIMITED**

**CONSOLIDATED OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Notes	2020 £	2019 £
Profit for the year		326,063	286,791
Other comprehensive income		-	-
Total comprehensive income for the year		<u>326,063</u>	<u>286,791</u>
Total comprehensive income attributable to: Owners of the parent		<u>326,063</u>	<u>286,791</u>

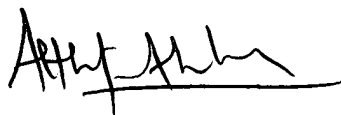
The notes form part of these financial statements

## CONSOLIDATED BALANCE SHEET

31 AUGUST 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Intangible assets	11		815,763		903,763
Tangible assets	12		2,111,773		2,126,078
Investments	13		-		-
			<u>2,927,536</u>		<u>3,029,841</u>
<b>Current assets</b>					
Stocks	14	1,737,944		1,355,220	
Debtors	15	293,662		218,399	
Cash at bank and in hand		10,260		15,148	
		<u>2,041,866</u>		<u>1,588,767</u>	
<b>Creditors</b>					
Amounts falling due within one year	16	2,425,412		2,508,877	
<b>Net current liabilities</b>			<u>(383,546)</u>		<u>(920,110)</u>
<b>Total assets less current liabilities</b>			<u>2,543,990</u>		<u>2,109,731</u>
<b>Creditors</b>					
Amounts falling due after more than one year	17		(248,692)		(131,910)
<b>Provisions for liabilities</b>	21		<u>(105,502)</u>		<u>(114,088)</u>
<b>Net assets</b>			<u><u>2,189,796</u></u>		<u><u>1,863,733</u></u>
<b>Capital and reserves</b>					
Called up share capital	22		20,000		20,000
Retained earnings	23		<u>2,169,796</u>		<u>1,843,733</u>
<b>Shareholders' funds</b>			<u><u>2,189,796</u></u>		<u><u>1,863,733</u></u>

The financial statements were approved by the director and authorised for issue on 26 May 2021 and were signed by:



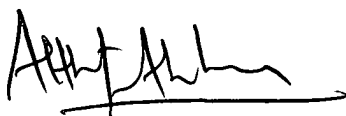
A A Karattu Thody - Director

The notes form part of these financial statements

COMPANY BALANCE SHEET  
31 AUGUST 2020

	Notes	£	2020 £	£	2019 £
<b>Fixed assets</b>					
Intangible assets	11		815,763		903,763
Tangible assets	12		2,060,073		2,095,715
Investments	13		5,101		6,101
			<u>2,880,937</u>		<u>3,005,579</u>
<b>Current assets</b>					
Debtors	15	1,664,787		1,181,131	
Cash at bank and in hand		520		635	
		<u>1,665,307</u>		<u>1,181,766</u>	
<b>Creditors</b>					
Amounts falling due within one year	16	1,254,878		1,311,240	
<b>Net current assets/(liabilities)</b>			<u>410,429</u>		<u>(129,474)</u>
<b>Total assets less current liabilities</b>			<u>3,291,366</u>		<u>2,876,105</u>
<b>Creditors</b>					
Amounts falling due after more than one year	17		(248,692)		(131,910)
<b>Provisions for liabilities</b>	21		<u>(95,679)</u>		<u>(108,595)</u>
<b>Net assets</b>			<u>2,946,995</u>		<u>2,635,600</u>
<b>Capital and reserves</b>					
Called up share capital	22		20,000		20,000
Retained earnings	23		2,926,995		2,615,600
<b>Shareholders' funds</b>			<u>2,946,995</u>		<u>2,635,600</u>
Company's profit for the financial year			<u>311,395</u>		<u>344,048</u>

The financial statements were approved by the director and authorised for issue on 26 May 2021 and were signed by:



A A Karattu Thody - Director

The notes form part of these financial statements

**GOLDENS INTERNATIONAL LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 September 2018</b>	1,000	1,556,942	1,557,942
<b>Changes in equity</b>			
Profit for the year	-	286,791	286,791
Total comprehensive income	-	286,791	286,791
Issue of share capital	19,000	-	19,000
<b>Balance at 31 August 2019</b>	20,000	1,843,733	1,863,733
<b>Changes in equity</b>			
Profit for the year	-	326,063	326,063
Total comprehensive income	-	326,063	326,063
<b>Balance at 31 August 2020</b>	20,000	2,169,796	2,189,796

The notes form part of these financial statements

**GOLDENS INTERNATIONAL LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 AUGUST 2020**

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Total equity £</b>
<b>Balance at 1 September 2018</b>	1,000	2,271,552	2,272,552
<b>Changes in equity</b>			
Issue of share capital	19,000	-	19,000
Total comprehensive income	-	344,048	344,048
<b>Balance at 31 August 2019</b>	<u>20,000</u>	<u>2,615,600</u>	<u>2,635,600</u>
<b>Changes in equity</b>			
Total comprehensive income	-	311,395	311,395
<b>Balance at 31 August 2020</b>	<u>20,000</u>	<u>2,926,995</u>	<u>2,946,995</u>

The notes form part of these financial statements

**GOLDENS INTERNATIONAL LIMITED**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

		<b>2020</b>	<b>2019</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	282,381	155,722
Interest paid		(2,704)	(1,109)
Interest element of hire purchase payments paid		(15,229)	(7,025)
Tax paid		(5,596)	(7,830)
Net cash from operating activities		<u>258,852</u>	<u>139,758</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		-	(50,000)
Purchase of tangible fixed assets		(312,728)	(445,130)
Sale of intangible fixed assets		-	241,510
Sale of tangible fixed assets		-	89,114
Net cash from investing activities		<u>(312,728)</u>	<u>(164,506)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		110,108	(12,708)
Amount introduced by directors		738,032	-
Amount withdrawn by directors		(794,732)	-
Share issue		-	19,000
Net cash from financing activities		<u>53,408</u>	<u>6,292</u>
<b>Decrease in cash and cash equivalents</b>		<u>(468)</u>	<u>(18,456)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	7,309	25,765
<b>Cash and cash equivalents at end of year</b>	2	<u><u>6,841</u></u>	<u><u>7,309</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020

1. Reconciliation of profit before taxation to cash generated from operations

	2020	2019
	£	£
Profit before taxation	409,771	353,342
Depreciation charges	415,033	438,363
Finance costs	17,933	8,134
	<u>842,737</u>	<u>799,839</u>
(Increase)/decrease in stocks	(382,724)	518,436
Increase in trade and other debtors	(75,263)	(35,422)
Decrease in trade and other creditors	(102,369)	(1,127,131)
	<u>282,381</u>	<u>155,722</u>
<b>Cash generated from operations</b>	<b>282,381</b>	<b>155,722</b>

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 August 2020

	31/8/20	1/9/19
	£	£
Cash and cash equivalents	10,260	15,148
Bank overdrafts	(3,419)	(7,839)
	<u>6,841</u>	<u>7,309</u>

Year ended 31 August 2019

	31/8/19	1/9/18
	£	£
Cash and cash equivalents	15,148	57,754
Bank overdrafts	(7,839)	(31,989)
	<u>7,309</u>	<u>25,765</u>

The notes form part of these financial statements

**GOLDENS INTERNATIONAL LIMITED**

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2020**

**3. Analysis of changes in net debt**

	<b>At 1/9/19</b>	<b>Cash flow</b>	<b>At 31/8/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	15,148	(4,888)	10,260
Bank overdrafts	(7,839)	4,420	(3,419)
	<u>7,309</u>	<u>(468)</u>	<u>6,841</u>
<b>Debt</b>			
Finance leases	(219,080)	(110,108)	(329,188)
Debts falling due within 1 year	(1,011,014)	101,156	(909,858)
	<u>(1,230,094)</u>	<u>(8,952)</u>	<u>(1,239,046)</u>
<b>Total</b>	<u><u>(1,222,785)</u></u>	<u><u>(9,420)</u></u>	<u><u>(1,232,205)</u></u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020

---

1. **Statutory information**

Goldens International Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **Accounting policies**

**Basis of preparing the financial statements**

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

**Basis of consolidation**

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 August 2020.

**Significant judgements and estimates**

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

**Cash at bank and in hand**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised when performance obligations are satisfied and control has transferred to the customer. For goods sold in store, revenue is recognised at the point of sale.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 2008, is being amortised evenly over its estimated useful life of twenty years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

---

2. Accounting policies - continued

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Short leasehold	- Over the term of the lease
Long leasehold	- Over the term of the lease
Plant and machinery	- 25% on reducing balance and 20% on reducing balance
Fixtures and fittings	- 20% on reducing balance
Motor vehicles	- 20% on reducing balance
Equipment	- 20% on reducing balance

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is based on the cost of purchase on a first in, first out basis.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Impairment**

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

**Functional and presentational currency**

The company's functional and presentational currency is Pound Sterling.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**2. Accounting policies - continued**

**Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**Pension - defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations. The contributions are recognised as an expense in the Profit and Loss Account when they fall due. Amounts not paid are shown as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

**Financial instruments**

The company 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 in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

**Basic financial assets**

Basic financial assets, which include debtors 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 unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

**Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**3. Critical accounting judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, management have been required to make judgements, estimates and assumptions. These estimates relate to the carrying value of assets and liabilities that are based on underlying assumptions and other factors, which are considered to be relevant. Actual results may differ from these estimates. These estimates and assumptions are reviewed on an on-going basis.

There are no key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**4. Turnover**

Turnover represents the sale of goods to customers net of VAT. The turnover of the company has been derived from its principal activity. All trading is undertaken in the UK.

**5. Employees and directors**

	2020	2019
	£	£
Wages and salaries	1,694,146	1,883,734
Social security costs	42,428	61,395
Other pension costs	3,146	7,918
	<u>1,739,720</u>	<u>1,953,047</u>

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

	2020	2019
Shop staff	191	216
Accounts	3	4
Administration	17	21
	<u>211</u>	<u>241</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 211 (2019 - 241).

	2020	2019
	£	£
Director's remuneration	<u>41,110</u>	<u>49,159</u>

Applications for employment by disabled persons are always fully and fairly considered, bearing in mind the aptitudes of the applicant concerned. In the event of team members becoming disabled every effort is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of their employees.

**6. Operating profit**

The operating profit is stated after charging:

	2020	2019
	£	£
Hire of plant and machinery	38,329	20,846
Depreciation - owned assets	247,250	268,502
Depreciation - assets on hire purchase contracts	79,783	60,300
Goodwill amortisation	88,000	109,563
Auditors' remuneration	<u>12,000</u>	<u>12,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 7. Exceptional items

	2020	2019
	£	£
Profit/loss on sale of operatn	-	6,205

## 8. Interest payable and similar expenses

	2020	2019
	£	£
Interest on overdue tax paid	2,704	1,109
Hire purchase	15,229	7,025
	<u>17,933</u>	<u>8,134</u>

## 9. Taxation

**Analysis of the tax charge**

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	92,294	58,336
Deferred tax	(8,586)	8,215
Tax on profit	<u>83,708</u>	<u>66,551</u>

UK corporation tax has been charged at 19% (2019 - 19%).

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

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

	2020	2019
	£	£
Profit before tax	<u>409,771</u>	<u>353,342</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	77,856	67,135
Effects of:		
Capital allowances in excess of depreciation	-	(8,799)
Depreciation in excess of capital allowances	14,438	-
Deferred tax	(8,586)	8,215
Total tax charge	<u>83,708</u>	<u>66,551</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

10. Individual income statement

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. Intangible fixed assets

Group

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 September 2019 and 31 August 2020	1,759,999
<b>Amortisation</b>	
At 1 September 2019	856,236
Amortisation for year	88,000
At 31 August 2020	944,236
<b>Net book value</b>	
At 31 August 2020	815,763
At 31 August 2019	903,763

Company

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 September 2019 and 31 August 2020	1,759,999
<b>Amortisation</b>	
At 1 September 2019	856,236
Amortisation for year	88,000
At 31 August 2020	944,236
<b>Net book value</b>	
At 31 August 2020	815,763
At 31 August 2019	903,763

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 12. Tangible fixed assets

## Group

	Short leasehold £	Long leasehold £	Plant and machinery £
<b>Cost</b>			
At 1 September 2019	226,857	942,738	530,627
Additions	-	-	62,854
At 31 August 2020	226,857	942,738	593,481
<b>Depreciation</b>			
At 1 September 2019	106,657	72,521	326,010
Charge for year	11,750	17,854	56,637
At 31 August 2020	118,407	90,375	382,647
<b>Net book value</b>			
At 31 August 2020	108,450	852,363	210,834
At 31 August 2019	120,200	870,217	204,617

	Fixtures and fittings £	Motor vehicles £	Equipment £	Totals £
<b>Cost</b>				
At 1 September 2019	2,216,317	430,381	3,529	4,350,449
Additions	92,160	157,714	-	312,728
At 31 August 2020	2,308,477	588,095	3,529	4,663,177
<b>Depreciation</b>				
At 1 September 2019	1,492,286	224,525	2,372	2,224,371
Charge for year	167,846	72,714	232	327,033
At 31 August 2020	1,660,132	297,239	2,604	2,551,404
<b>Net book value</b>				
At 31 August 2020	648,345	290,856	925	2,111,773
At 31 August 2019	724,031	205,856	1,157	2,126,078

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**12. Tangible fixed assets - continued**

**Group**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>Cost</b>			
At 1 September 2019	143,133	297,647	440,780
Additions	-	157,714	157,714
At 31 August 2020	143,133	455,361	598,494
<b>Depreciation</b>			
At 1 September 2019	62,768	136,811	199,579
Charge for year	16,073	63,710	79,783
At 31 August 2020	78,841	200,521	279,362
<b>Net book value</b>			
At 31 August 2020	64,292	254,840	319,132
At 31 August 2019	80,365	160,836	241,201

**Company**

	<b>Short leasehold £</b>	<b>Long leasehold £</b>	<b>Plant and machinery £</b>
<b>Cost</b>			
At 1 September 2019	226,857	942,738	530,627
Additions	-	-	62,854
At 31 August 2020	226,857	942,738	593,481
<b>Depreciation</b>			
At 1 September 2019	106,657	72,521	326,010
Charge for year	11,750	17,854	56,637
At 31 August 2020	118,407	90,375	382,647
<b>Net book value</b>			
At 31 August 2020	108,450	852,363	210,834
At 31 August 2019	120,200	870,217	204,617

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 12. Tangible fixed assets - continued

## Company

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>Cost</b>			
At 1 September 2019	2,136,739	423,901	4,260,862
Additions	55,612	157,714	276,180
At 31 August 2020	2,192,351	581,615	4,537,042
<b>Depreciation</b>			
At 1 September 2019	1,440,040	219,919	2,165,147
Charge for year	153,242	72,339	311,822
At 31 August 2020	1,593,282	292,258	2,476,969
<b>Net book value</b>			
At 31 August 2020	599,069	289,357	2,060,073
At 31 August 2019	696,699	203,982	2,095,715

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
<b>Cost</b>			
At 1 September 2019	143,133	297,647	440,780
Additions	-	157,714	157,714
At 31 August 2020	143,133	455,361	598,494
<b>Depreciation</b>			
At 1 September 2019	62,768	136,811	199,579
Charge for year	16,073	63,710	79,783
At 31 August 2020	78,841	200,521	279,362
<b>Net book value</b>			
At 31 August 2020	64,292	254,840	319,132
At 31 August 2019	80,365	160,836	241,201

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**13. Fixed asset investments****Company**

	Shares in group undertakings £
<b>Cost</b>	
At 1 September 2019	6,101
Disposals	(1,000)
	<u>5,101</u>
At 31 August 2020	<u>5,101</u>
<b>Net book value</b>	
At 31 August 2020	<u>5,101</u>
At 31 August 2019	<u>6,101</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

**Subsidiaries****Goldens (Birmingham) Limited**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2020</b>	<b>2019</b>
		£	£
Aggregate capital and reserves		128,542	134,323
Profit for the year		<u>44,219</u>	<u>50,404</u>

**Goldens (Derby) Limited**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%		
Class of shares:	holding		
Ordinary	100.00		
		<b>2020</b>	<b>2019</b>
		£	£
Aggregate capital and reserves		56,632	52,648
Profit for the year		<u>3,984</u>	<u>2,939</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 13. Fixed asset investments - continued

**Goldens (Nottingham) Limited**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%		
Class of shares:	holding		
Ordinary	100.00		
	<b>2020</b>	<b>2019</b>	
	<b>£</b>	<b>£</b>	
Aggregate capital and reserves	46,534	47,509	
Profit for the year	9,025	11,502	
	<u>          </u>	<u>          </u>	

**Goldens (Leicester) Ltd**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%		
Class of shares:	holding		
Ordinary	100.00		
	<b>2020</b>	<b>2019</b>	
	<b>£</b>	<b>£</b>	
Aggregate capital and reserves	46,419	46,071	
Profit for the year	10,348	5,818	
	<u>          </u>	<u>          </u>	

**Goldens (Washwood Heath) Ltd**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket (closed)

	%		
Class of shares:	holding		
Ordinary	100.00		
	<b>2020</b>	<b>2019</b>	
	<b>£</b>	<b>£</b>	
Aggregate capital and reserves	(287,461)	(287,461)	
	<u>          </u>	<u>          </u>	

**Goldens (Rotherham) Ltd**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%		
Class of shares:	holding		
Ordinary	100.00		
	<b>2020</b>	<b>2019</b>	
	<b>£</b>	<b>£</b>	
Aggregate capital and reserves	21,681	16,599	
Profit for the year	20,083	18,114	
	<u>          </u>	<u>          </u>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**13. Fixed asset investments - continued****Goldens Stoke Limited**

Registered office: Second Floor, 325 Washwood Heath Road, Birmingham, England, B8 2XJ

Nature of business: Supermarket

	%	
Class of shares:	holding	
Ordinary	100.00	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Aggregate capital and reserves	(21,750)	(33,759)
Profit/(loss) for the year	12,009	(34,759)

**14. Stocks**

	Group	
	2020	2019
	£	£
Stocks	1,737,944	1,355,220

The amount of stock recognised as an expense during the period was £1,355,220 (2019: £1,341,734).

**15. Debtors**

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year:				
Amounts owed by group undertakings	-	-	1,500,912	1,017,256
Lease deposit	26,500	26,500	26,500	26,500
VAT	82,945	31,038	-	-
Accrued income	17,295	-	-	-
Prepayments	29,547	23,486	-	-
	<u>156,287</u>	<u>81,024</u>	<u>1,527,412</u>	<u>1,043,756</u>
Amounts falling due after more than one year:				
Rental deposit	<u>137,375</u>	<u>137,375</u>	<u>137,375</u>	<u>137,375</u>
Aggregate amounts	<u>293,662</u>	<u>218,399</u>	<u>1,664,787</u>	<u>1,181,131</u>

Included within debtors are balances totalling £163,875 (2019: £163,875) that have been pledged as collateral for future contingent liabilities of the company due to landlords.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 16. Creditors: amounts falling due within one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 18)	3,419	7,839	3,419	456
Other loans (see note 18)	909,858	1,011,014	908,862	1,013,740
Hire purchase contracts (see note 19)	80,496	87,170	80,496	87,170
Trade creditors	1,045,199	1,045,897	-	-
Amounts owed to group undertakings	-	-	82,887	117,591
Tax	208,654	121,956	149,534	74,563
Social security and other taxes	121,106	133,581	-	-
Directors' current accounts	-	56,700	-	-
Accrued expenses	56,680	44,720	29,680	17,720
	<u>2,425,412</u>	<u>2,508,877</u>	<u>1,254,878</u>	<u>1,311,240</u>

## 17. Creditors: amounts falling due after more than one year

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Hire purchase contracts (see note 19)	<u>248,692</u>	<u>131,910</u>	<u>248,692</u>	<u>131,910</u>

## 18. Loans

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	3,419	7,839	3,419	456
Other loans	909,858	1,011,014	908,862	1,013,740
	<u>913,277</u>	<u>1,018,853</u>	<u>912,281</u>	<u>1,014,196</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

## 19. Leasing agreements

Minimum lease payments fall due as follows:

**Group**

	<b>Hire purchase contracts</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	98,558	99,319
Between one and five years	279,276	143,459
	<u>377,834</u>	<u>242,778</u>
Finance charges repayable:		
Within one year	18,062	12,149
Between one and five years	30,584	11,549
	<u>48,646</u>	<u>23,698</u>
Net obligations repayable:		
Within one year	80,496	87,170
Between one and five years	248,692	131,910
	<u>329,188</u>	<u>219,080</u>

**Company**

	<b>Hire purchase contracts</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Gross obligations repayable:		
Within one year	98,558	99,319
Between one and five years	279,276	143,459
	<u>377,834</u>	<u>242,778</u>
Finance charges repayable:		
Within one year	18,062	12,149
Between one and five years	30,584	11,549
	<u>48,646</u>	<u>23,698</u>
Net obligations repayable:		
Within one year	80,496	87,170
Between one and five years	248,692	131,910
	<u>329,188</u>	<u>219,080</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 AUGUST 2020

20. Financial instruments

Financial assets for the group measured at amortised cost comprise of other debtors £293,662 (2019: £218,399) and cash £10,260 (2019: £15,148).

Financial assets for the company measured at amortised cost comprise of other debtors £163,875 (2019: £163,875), amounts owed by subsidiaries £1,500,912 (2019: £1,017,256) and cash £520 (2019: £635).

Financial liabilities for group measured at amortised cost comprise of loans and overdrafts £913,277 (2019: £1,018,853), trade creditors £1,045,199 (2019: £1,045,897), other creditors £523,616 (2019: £488,847) and accrued expenses £56,680 (2019: £44,720).

Financial liabilities for company measured at amortised cost comprise of bank loans and overdrafts £913,277 (2019: £1,018,853), amounts owed to subsidiaries £82,887 (2019: £117,591), other creditors £312,917 (2019: £279,324) and accrued expenses £29,680 (2019: £17,720).

21. Provisions for liabilities

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Deferred tax				
Accelerated capital allowances	105,502	114,088	95,679	108,595

Group

	Deferred tax
	£
Balance at 1 September 2019	114,088
Provided during year	(8,586)
Balance at 31 August 2020	105,502

Company

	Deferred tax
	£
Balance at 1 September 2019	108,595
Provided during year	(12,916)
Balance at 31 August 2020	95,679

22. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020	2019
			£	£
20,000	Ordinary	£1	20,000	20,000

The shares carry full rights with regards to voting, participation and dividends. In the event of the company being wound up, the shareholder will be entitled to a share in the proceeds of the company's assets after all the debts have been paid.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

**23. Reserves****Group**

	<b>Retained earnings £</b>
At 1 September 2019	1,843,733
Profit for the year	326,063
At 31 August 2020	<u>2,169,796</u>

**Company**

	<b>Retained earnings £</b>
At 1 September 2019	2,615,600
Profit for the year	311,395
At 31 August 2020	<u>2,926,995</u>

Retained earnings include all current and prior period retained profits and losses.

**24. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £3,146 (2019: £7,918). Contributions totalling £372 (2019: £513) were payable to the fund by the company at the reporting date and are included in creditors.

**25. Related party disclosures**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

As at 31 August 2020, the company owed £909,860 (2019: £1,013,740) to a company controlled by the ultimate controlling party. The creditor is interest-free, unsecured and no guarantees were provided.

During the year, a total of key management personnel compensation of £41,110 (2019 - £46,159) was paid.

**26. Ultimate controlling party**

The controlling party is A A Karattu Thody.

The ultimate controlling party is A Nazar who owns 85% of the issued share capital of the parent company.