

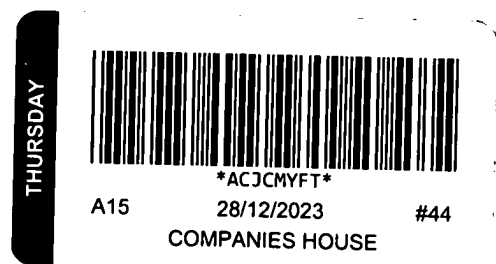
Company registration number: 06861802

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 2023

**GIFT UNIVERSE
MANAGEMENT LIMITED**



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GIFT UNIVERSE MANAGEMENT LIMITED

COMPANY INFORMATION

Directors	P Kraftman M Talbot G Wakeman K Height (appointed 1 August 2023)
Registered number	06861802
Registered office	The Atrium Curtis Road Dorking Surrey RH4 1XA
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Victoria House 50-58 Victoria Road Farnborough Hampshire GU14 7PG

GIFT UNIVERSE MANAGEMENT LIMITED

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GIFT UNIVERSE MANAGEMENT LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2023

Introduction

The principal activity of the company continued to be that of a management company for the Gift Universe Group.

Gift Universe Management Limited is part of the Gift Universe Group Limited. All decisions and results are made and reviewed at a group level and therefore readers should refer to the strategic report of Gift Universe Group Limited found at Companies House in reference to the performance and position of the group as a whole.

Principal risks and uncertainties

The company's principal financial instruments comprise bank balances, trade creditors and loans. The main purpose of these instruments is to raise funds for the company's operations. The company's approach to managing the risk applicable to the financial instruments concerned are as follows:

In respect to bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest should it be considered necessary.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due and to ensure loan repayments are met on time.

The company has a sufficiently strong balance sheet at the year end with sufficient cash reserves to meet forthcoming requirements.

Employee involvement

The company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the company. This is achieved through regular contact by management with employees both over electronic communications and formal and informal communications.

Disabled Employees

The company does not discriminate against disabled workers for those vacancies that they are able to fill. All necessary assistance with initial training courses is given. Arrangements are made, wherever possible, for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Future Developments

For details of future developments readers should refer to the strategic report of Gift Universe Group Limited found at Companies House.

Financial key performance indicators

The key financial performance indicators are as follows:

	2023 £	2022 £
Group Turnover	64,784,566	59,276,235
Group Earnings Before Interest, Tax, Depreciation and Amortisation	5,076,941	6,005,865

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

DocuSigned by:

Paul Kraftman

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P Kraftman
Director

Date: 19-Dec-2023

GIFT UNIVERSE MANAGEMENT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2023

The Directors present their report and the financial statements for the year ended 31 March 2023.

Directors' responsibilities statement

The Directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the Directors are required to:

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

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

Results and dividends

The profit for the year, after taxation, amounted to £2,784,483 (2022 - £3,301,421).

The directors proposed a dividend of £Nil (2022: £150,000). During the year the company paid dividends of £6,309,424 (2022: £nil).

Directors

The Directors who served during the year were:

P Kraftman
M Talbot
G Wakeman

Matters covered in the Strategic Report

The company has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the company's Strategic Report the Company's Strategic Report Information Required by Schedule 7 of the Large and Medium Size Companies and Groups (Accounts and Reports) Regulation 2018. This includes information that would have been included in the business review, details of the principal risks and uncertainties, future developments, and the company's approach to compliance with Section 172(1) of the Companies Act 2006.

GIFT UNIVERSE MANAGEMENT LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

Disclosure of information to auditors

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

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

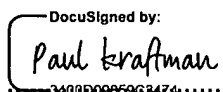
Post balance sheet events

There have been no significant events affecting the company since the year end.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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

DocuSigned by:

3409D09859G8474.....
P Kraftman
Director

Date: 19-Dec-2023

GIFT UNIVERSE MANAGEMENT LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIFT UNIVERSE MANAGEMENT LIMITED

Opinion

We have audited the financial statements of Gift Universe Management Limited (the 'company') for the year ended 31 March 2023, which comprise the Statement of Income and Retained Earnings, the Statement of Financial Position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

GIFT UNIVERSE MANAGEMENT LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIFT UNIVERSE MANAGEMENT LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

GIFT UNIVERSE MANAGEMENT LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIFT UNIVERSE MANAGEMENT LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including UK Companies Act and Health and Safety regulations.
- We understood how the Company is complying with legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We assessed the extent of compliance with these legal and compliance procedures as part of our procedures on the related financial statement items.
- The engagement director assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We identified the risk of override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgments made by management in its significant accounting estimates; and
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

The assessment did not identify any issues in these areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

GIFT UNIVERSE MANAGEMENT LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF GIFT UNIVERSE MANAGEMENT LIMITED (CONTINUED)

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 Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Roberto Lobue

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Roberto Lobue FCA (Senior Statutory Auditor)

for and on behalf of

Menzies LLP

Chartered Accountants
Statutory Auditor

Victoria House
50-58 Victoria Road
Farnborough
Hampshire
GU14 7PG

Date: 20-Dec-2023

GIFT UNIVERSE MANAGEMENT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2022 £
Turnover	4	24,233,468	30,042,632
Cost of sales		(21,077,172)	(26,938,089)
Gross profit		3,156,296	3,104,543
Distribution costs		(722,508)	(953,523)
Administrative expenses		(4,249,273)	(3,558,521)
Other operating income	5	5,392,127	5,302,995
Forward contract valuation		-	198
Operating profit	6	3,576,642	3,895,692
Interest payable and similar expenses	10	(314,364)	(51,645)
Profit before tax		3,262,278	3,844,047
Tax on profit	11	(477,795)	(542,626)
Profit after tax		2,784,483	3,301,421
Retained earnings at the beginning of the year		14,352,979	11,051,558
		14,352,979	11,051,558
Profit for the year		2,784,483	3,301,421
Dividends declared and paid		(6,309,424)	-
Retained earnings at the end of the year		10,828,038	14,352,979

The notes on pages 10 to 22 form part of these financial statements.


GIFT UNIVERSE MANAGEMENT LIMITED

REGISTERED NUMBER:06861802

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	21,999	24,557
Tangible assets	13	290,337	402,458
		<u>312,336</u>	<u>427,015</u>
Current assets			
Stocks	14	7,182,306	8,274,180
Debtors: amounts falling due within one year	15	15,617,733	14,260,545
Cash at bank and in hand		3,685,644	4,476,687
		<u>26,485,683</u>	<u>27,011,412</u>
Creditors: amounts falling due within one year	16	(15,969,980)	(13,085,447)
Net current assets		<u>10,515,703</u>	<u>13,925,965</u>
Total assets less current liabilities		<u>10,828,039</u>	<u>14,352,980</u>
Net assets		<u>10,828,039</u>	<u>14,352,980</u>
Capital and reserves			
Allotted, called up and fully paid share capital	18	1	1
Profit and loss account	19	10,828,038	14,352,979
		<u>10,828,039</u>	<u>14,352,980</u>

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

DocuSigned by:

 3499D08659C3474.....
P Kraftman
 Director

Date: 19-Dec-2023

The notes on pages 10 to 22 form part of these financial statements.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Gift Universe Management Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office, which is the same as its principal place of business, is disclosed on the company information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Gift Universe Group Limited as at 31 March 2023 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Other operating income is the recognition of management charges, based on the level of support provided to each individual group company throughout the year.

2.4 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Income Statement over its useful economic life. The estimated useful life of goodwill is ten years.

2.5 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- Straight line over the length of the lease.
Fixtures and fittings	- 15% Straight Line
Computer equipment	- 33% Straight Line

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

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

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.6 Stocks

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

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Income and Retained Earnings.

2.7 Financial instruments

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Earnings.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and 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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.8 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP, rounded to the nearest pound sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.9 Leased assets: the company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.10 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

The contributions are recognised as an expense in the Statement of Income and Retained Earnings when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Income and Retained Earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart for those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the accounts recognised in the financial statements are described below.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying of assets and liabilities within the next financial year are as follows:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual value are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the tangible fixed assets.

There were no other key sources of estimation uncertainty.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Sale of goods	24,233,468	30,042,632
	<u>24,233,468</u>	<u>30,042,632</u>

All turnover arose within the United Kingdom.

5. Other operating income

	2023 £	2022 £
Management charge	5,251,570	5,185,900
Government grants receivable	-	820
Sundry income	140,557	116,275
	<u>5,392,127</u>	<u>5,302,995</u>

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

6. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2023 £	2022 £
Amortisation of intangible fixed assets	-	1,293
Exchange differences	(26,512)	172,589
Other operating lease rentals	214,199	193,092
Depreciation of tangible fixed assets	157,911	170,500
Defined contribution pension cost	60,713	44,366
	<u>60,713</u>	<u>44,366</u>

7. Auditors' remuneration

During the year, the company obtained the following services from the company's auditors:

	2023 £	2022 £
Fees payable to the company's auditors for the audit of the company's financial statements	58,000	52,400

Gift Universe Management Limited is paying the audit fee on the behalf of its fellow subsidiary companies.

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	1,881,864	1,423,476
Social security costs	226,834	165,855
Cost of defined contribution scheme	74,659	44,366
	<u>2,183,357</u>	<u>1,633,697</u>

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

	2023 No.	2022 No.
Online	20	14
Wholesale	6	5
Warehouse	25	20
Head office	26	26
Directors	3	3
	<u>80</u>	<u>68</u>

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

9. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	400,862	405,446
Company contributions to defined contribution pension schemes	6,000	5,000
	<u>406,862</u>	<u>410,446</u>

During the year retirement benefits were accruing to 2 Directors (2022 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £228,962 (2022 - £229,626).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL (2022 - £NIL).

10. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	314,364	51,645
	<u>314,364</u>	<u>51,645</u>

11. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on profits for the year	483,211	658,923
Adjustments in respect of previous periods	-	(110,176)
	<u>483,211</u>	<u>548,747</u>
Total current tax	<u>483,211</u>	<u>548,747</u>
Deferred tax		
Origination and reversal of timing differences	(5,416)	(6,121)
Total deferred tax	<u>(5,416)</u>	<u>(6,121)</u>
Taxation on profit on ordinary activities	<u>477,795</u>	<u>542,626</u>

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022 - *lower than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%). The differences are explained below:

	2023 £	2022 £
Profit on ordinary activities before tax	3,262,278	3,844,047
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	619,833	730,369
Effects of:		
Expenses that are not deductible in determining taxable profits	21,533	8,777
Depreciation of assets ineligible for capital allowances	487	-
Changes to the tax rate on deferred tax balances	(1,300)	(11,186)
Concession (research and development and other allowances)	-	(48,941)
Adjustments to tax charge in respect of prior periods	-	(110,176)
Super deduction	(2,556)	(3,620)
Group relief surrender/(claim)	(29,484)	(22,597)
Share scheme deduction	(130,718)	-
Total tax charge for the year	477,795	542,626

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

12. Intangible assets

	Goodwill £
Cost	
At 1 April 2022	25,850
At 31 March 2023	25,850
Amortisation	
At 1 April 2022	1,293
Charge for the year on owned assets	2,558
At 31 March 2023	3,851
Net book value	
At 31 March 2023	21,999
At 31 March 2022	24,557

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

13. Tangible fixed assets

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 April 2022	75,912	1,513,236	1,281,133	2,870,281
Additions	-	22,000	23,790	45,790
At 31 March 2023	<u>75,912</u>	<u>1,535,236</u>	<u>1,304,923</u>	<u>2,916,071</u>
Depreciation				
At 1 April 2022	75,912	1,363,553	1,028,358	2,467,823
Charge for the year	-	83,868	74,043	157,911
At 31 March 2023	<u>75,912</u>	<u>1,447,421</u>	<u>1,102,401</u>	<u>2,625,734</u>
Net book value				
At 31 March 2023	<u>-</u>	<u>87,815</u>	<u>202,522</u>	<u>290,337</u>
At 31 March 2022	<u>-</u>	<u>149,683</u>	<u>252,775</u>	<u>402,458</u>

14. Stocks

	2023 £	2022 £
Finished goods and goods for resale	<u>7,182,306</u>	<u>8,274,180</u>
	<u>7,182,306</u>	<u>8,274,180</u>

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

15. Debtors

	2023 £	2022 £
Trade debtors	53,491	30,448
Amounts owed by group undertakings	13,151,493	13,288,337
Other debtors	2,025,336	768,770
Prepayments and accrued income	335,388	126,381
Deferred taxation	52,025	46,609
	<u>15,617,733</u>	<u>14,260,545</u>

16. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank loans	2,053,015	822,972
Trade creditors	2,697,352	1,733,952
Amounts owed to group undertakings	10,353,364	9,541,248
Corporation tax	483,211	713,881
Other taxation and social security	105,617	70,974
Other creditors	14,211	82,728
Accruals and deferred income	263,210	119,692
	<u>15,969,980</u>	<u>13,085,447</u>

Included within other creditors is a derivative financial instrument of £Nil (2022 - £Nil) which is measured at fair value, with a change in valuation of £Nil (2022 - £198) charged to the Statement of Income and Retained Earnings.

The security for the bank loan and overdraft is in the form of a cross guarantee and debenture between Gift Universe Group Limited and its subsidiaries. There is a fixed and floating charge over the assets of the group.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

17. Deferred taxation

	2023 £
At beginning of year	46,609
Charged to profit or loss	5,416
At end of year	52,025

The is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	52,025	46,609
	52,025	46,609

18. Share capital

	2023 £	2022 £
Allotted, called up and fully paid		
1 (2022 - 1) Ordinary share of £1.00	1	1

Ordinary shares have equal voting and distribution rights.

19. Reserves

Profit and loss account

This reserve records retained earnings and accumulated losses.

20. Pension commitments

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. The pension cost charge represents contributions payable by the company to the fund and amounted to £60,713 (2022 - £44,366). Contributions totalling £14,283 were payable to the fund (2022 - £921 were repayable from the fund) at the reporting date.

GIFT UNIVERSE MANAGEMENT LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

21. Commitments under operating leases

At 31 March 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	293,619	272,800
Later than 1 year and not later than 5 years	774,829	1,045,733
	<u>1,068,448</u>	<u>1,318,533</u>

22. Related party transactions

As at the statement of financial position date, there was an amount receivable from a director of £82,802 (2022 - £82,658). This balance is considered to be interest free and repayable on demand.

23. Controlling party

The Company is a wholly owned subsidiary undertaking of Gift Universe Group Limited and is included in its consolidated accounts. Gift Universe Group Limited is the immediate parent entity, whose registered address is The Atrium, Curtis Road, Dorking, Surrey, RH4 1XA.

The ultimate controlling party is Gift Universe Group Employee Ownership Trust following the purchase of 68% of the shares of the parent company by the trust in November 2022.