

Company Registration No. 07520374 (England and Wales)

RINKIT LIMITED

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2020

PAGES FOR FILING WITH REGISTRAR

RINKIT LIMITED

COMPANY INFORMATION

Directors	Mr R F Goss Mr E H Millais Mr R C Lowe Mr J D Booth Mr S Parker	(Appointed 6 May 2020)
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Secretary	Mrs N M Goss Mrs N L Turner
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Company number	07520374
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Registered office	Corn Exchange Baffins Lane Chichester West Sussex PO19 1BF
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Accountants	MHA Carpenter Box Amelia House Crescent Road Worthing West Sussex BN11 1QR
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RINKIT LIMITED

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RINKIT LIMITED

INDEPENDENT CHARTERED ACCOUNTANT'S REVIEW REPORT TO THE BOARD OF DIRECTORS OF RINKIT LIMITED FOR THE YEAR ENDED 29 FEBRUARY 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Rinkit Limited for the year ended 29 February 2020 which comprise, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance>.

Directors' Responsibility for the Financial Statements

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.

Accountants' Responsibility

Our responsibility is to express a conclusion on the financial statements. We conducted our review in accordance with International Standard on Review Engagements (ISRE) 2400 (Revised) Engagements to review historical financial statements and ICAEW technical release TECH 09/13AAF (Revised) Assurance review engagements on historical financial statements. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the United Kingdom Accounting Standards. ISRE 2400 (Revised) also requires us to comply with the ICAEW Code of Ethics.

Scope of the Assurance Review

A review of financial statements in accordance with ISRE 2400 (Revised) is a limited assurance engagement. We have performed procedures, primarily consisting of making enquiries of management and others within the entity, as appropriate, applying analytical procedures, and evaluating the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (UK). Accordingly, we do not express an audit opinion on these financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial statements have not been prepared:

- so as to give a true and fair view of the state of the company's affairs as at 29 February 2020, and of its profit for the year then ended;
- in accordance with United Kingdom Generally Accepted Accounting Practice; and
- in accordance with the requirements of the Companies Act 2006.

Use of our report

This report is made solely to the company's directors, as a body, in accordance with the terms of our engagement letter dated 21 February 2020. Our review work has been undertaken so that we might state to the company's directors those matters we have agreed to state to them in a reviewer's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's directors as a body, for our work, for this report, or for the conclusions we have formed.

MHA Carpenter Box
Chartered Accountants
Worthing

4 September 2020

MHA Carpenter Box is a trading name of Carpenter Box Limited

RINKIT LIMITED

BALANCE SHEET

AS AT 29 FEBRUARY 2020

		2020	2019
	Notes	£	£
Fixed assets			
Intangible assets	3	9,917	13,317
Tangible assets	4	355,497	380,418
Investments	5	60	60
		<u>365,474</u>	<u>393,795</u>
Current assets			
Stocks		3,884,021	3,986,697
Debtors	6	1,216,409	607,543
Cash at bank and in hand		556,451	6,726
		<u>5,656,881</u>	<u>4,600,966</u>
Creditors: amounts falling due within one year	7	<u>(3,168,489)</u>	<u>(2,429,909)</u>
Net current assets		<u>2,488,392</u>	<u>2,171,057</u>
Total assets less current liabilities		<u>2,853,866</u>	<u>2,564,852</u>
Creditors: amounts falling due after more than one year	8	(261,678)	(323,288)
Provisions for liabilities	9	(55,200)	(64,223)
Net assets		<u><u>2,536,988</u></u>	<u><u>2,177,341</u></u>
Capital and reserves			
Called up share capital	10	106	106
Profit and loss reserves		<u>2,536,882</u>	<u>2,177,235</u>
Total equity		<u><u>2,536,988</u></u>	<u><u>2,177,341</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 29 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

RINKIT LIMITED

BALANCE SHEET (CONTINUED)

AS AT 29 FEBRUARY 2020

The financial statements were approved by the board of directors and authorised for issue on 3 September 2020 and are signed on its behalf by:

Mr R C Lowe
Director

Company Registration No. 07520374

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

Company information

Rinkit Limited is a private company limited by shares incorporated in England and Wales. The registered office is Corn Exchange, Baffins Lane, Chichester, West Sussex, PO19 1BF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis. The directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. COVID-19 has inevitably introduced uncertainties over the future but the performance of the company's sales remains strong. The pandemic and the ensuing economic shutdown has also had a significant impact on the company's operations but they have been able to continue with certain measures introduced as required for social distancing. In response to the COVID-19 pandemic, the directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact. The company is also reliant on its import finance facility provided by the bank which is due for renewal in December 2020 - the directors are confident that the bank will renew this facility.

Based on these assessments and having regard to the resources available to the entity, the directors have concluded that there is no material uncertainty in relation to the appropriateness of continuing to adopt the going concern basis in preparing the annual report and accounts.

1.3 Turnover

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

1.4 Intangible fixed assets other than goodwill

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

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

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

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

Software	20% per annum on a straight line basis
Patents	20% per annum on a straight line basis

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

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

Land and buildings leasehold	20% per annum straight line basis
Plant and machinery	25% per annum diminishing balance basis
Fixtures, fittings & computer equipment	25% diminishing balance and 33.3% straight line basis per annum
Motor vehicles	25% per annum diminishing balance basis

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

1.6 Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

1.7 Stocks

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

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

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include deposits held at call with banks.

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

1.9 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.

The company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities including trade and other accounts receivable and payable, loans from banks and loans from related parties.

Debt instruments including loans and other accounts receivable and payable are initially measured at transaction price and subsequently at amortised cost using the effective interest method; Debt instruments that are payable or receivable within one year are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of the forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles and carried out by a third party.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity. Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as they fall due.

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

1 Accounting policies

(Continued)

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 50 (2019 - 45).

3 Intangible fixed assets

	Goodwill £	Software £	Patents £	Total £
Cost				
At 1 March 2019 and 29 February 2020	52,560	17,000	1,200	70,760
Amortisation and impairment				
At 1 March 2019	52,560	3,683	1,200	57,443
Amortisation charged for the year	-	3,400	-	3,400
At 29 February 2020	52,560	7,083	1,200	60,843
Carrying amount				
At 29 February 2020	-	9,917	-	9,917
At 28 February 2019	-	13,317	-	13,317

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

4 Tangible fixed assets

	Land and buildings leasehold	Plant and machinery	Fixtures, fittings & computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 March 2019	73,474	82,943	332,676	21,685	510,778
Additions	-	53,349	44,227	-	97,576
Disposals	-	(12,729)	(15,734)	-	(28,463)
At 29 February 2020	73,474	123,563	361,169	21,685	579,891
Depreciation and impairment					
At 1 March 2019	7,747	23,048	88,260	11,305	130,360
Depreciation charged in the year	9,062	24,516	76,380	2,594	112,552
Eliminated in respect of disposals	-	(8,663)	(9,855)	-	(18,518)
At 29 February 2020	16,809	38,901	154,785	13,899	224,394
Carrying amount					
At 29 February 2020	56,665	84,662	206,384	7,786	355,497
At 28 February 2019	65,727	59,895	244,416	10,380	380,418

There is a fixed and floating charge over all assets of the company.

5 Fixed asset investments

	2020 £	2019 £
Investments	60	60

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 March 2019 & 29 February 2020	60
Carrying amount	
At 29 February 2020	60
At 28 February 2019	60

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	223,395	217,942
Amounts owed by group undertakings	546,951	15,544
Other debtors	417,364	374,057
	<u>1,187,710</u>	<u>607,543</u>
Amounts falling due after more than one year:		
	£	£
Amounts owed by group undertakings	28,699	-
	<u>28,699</u>	<u>-</u>
Total debtors	<u>1,216,409</u>	<u>607,543</u>

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	80,510	103,051
Trade creditors	727,612	582,374
Taxation and social security	426,516	257,847
Other creditors	1,933,851	1,486,637
	<u>3,168,489</u>	<u>2,429,909</u>

Included within other creditors is an import finance facility of £1,115,423 (2019 - £890,407) which is secured by way of a fixed and floating charge over all assets of the company, a general letter of pledge as well as a guarantee from The Dordevic Family Trust for AUD\$53,053.

Included within other creditors (in amounts due within and after one year) is an amount totalling £142,199 (2019 - £33,520) and included within bank loans and overdrafts (in amounts due within and after one year) is an amount totalling £Nil (2019 - £70,159), both of which relate to finance leases. These are secured against their respective fixed assets within property, plant and equipment.

8 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	169,251	293,863
Other creditors	92,427	29,425
	<u>261,678</u>	<u>323,288</u>

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

8 Creditors: amounts falling due after more than one year (Continued)

There is debenture on the bank loans, including a fixed and floating charge, secured over all assets of the company.

9 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2020 £	Liabilities 2019 £
Balances:		
Accelerated capital allowances	55,200	64,223
	<u> </u>	<u> </u>
Movements in the year:		2020 £
Liability at 1 March 2019		64,223
Credit to profit or loss		(9,023)
		<u> </u>
Liability at 29 February 2020		55,200
		<u> </u>

10 Called up share capital

	2020 £	2019 £
Ordinary share capital Issued and fully paid		
1,060,000 Ordinary shares of 0.01p each	106	106
	<u> </u>	<u> </u>

11 Financial commitments, guarantees and contingent liabilities

There is an Unlimited Composite Company Guarantee given to Rinkit Pty Ltd, a subsidiary, to secure all liabilities between each other.

RINKIT LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 FEBRUARY 2020

12 Operating lease commitments

Lessee

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

	2020 £	2019 £
Within one year	733,383	664,512
Between two and five years	2,305,904	1,481,914
In over five years	1,868,083	2,397,720
	<hr/>	<hr/>
	4,907,370	4,544,146
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This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.