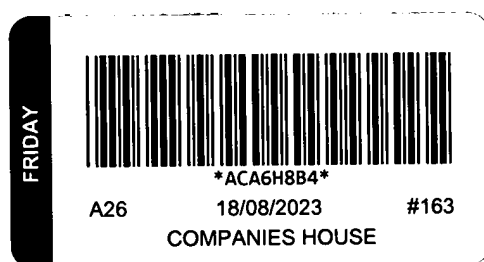


Company registration number 08010218 (England and Wales)

RENZACCI UK HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023



RENZACCI UK HOLDINGS LIMITED

COMPANY INFORMATION

Director Mr JG J Alexander

Company number 08010218

Registered office 9 Marlin Park
Central Way
Feltham
Middlesex
United Kingdom
TW14 0AN

Auditor Thomas Quinn
The Station House
15 Station Road
St Ives
Cambridgeshire
PE27 5BH

RENZACCI UK HOLDINGS LIMITED

CONTENTS

	Page
Strategic report	1
Director's report	2
Director's responsibilities statement	3
Independent auditor's report	4 - 6
Profit and loss account	7
Group statement of comprehensive income	8
Group balance sheet	9
Company balance sheet	10
Group statement of changes in equity	11
Company statement of changes in equity	12
Group statement of cash flows	13
Company statement of cash flows	14
Notes to the financial statements	15 - 30

RENZACCI UK HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents the strategic report for the year ended 31 March 2023.

Review of the business

The Directors are pleased to present the financial statements of the year.

The business has been able to pass on material increases in costs due to the inflationary environment, such as logistics costs, so this has not had an impact on margins.

The group is forecasting increased profit for the next reporting period.

Principal risks and uncertainties

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risks and uncertainties affecting the company are considered to relate to competition from national and local retailers within the laundry equipment sector.

The business is also affected by the ability to pass on price increases, security and reliability of supply, the continued potential impacts of the Ukraine war and inflationary environment pushing up input costs. However, the Company's strategy to effectively manage its costs and supply base help to mitigate these risks.

The Company's exposure to foreign exchange currency fluctuations is managed through holding of multi currency funds.

The Company has taken necessary steps to secure the supply chain to maintain reliability of supply and limit the impact on the business of cost inflation. The Company continues to review pricing strategies to pass on cost inflation where appropriate.

Market prices

The Company is exposed to market prices for certain raw materials. Wherever appropriate, foreign currency forward contracts are undertaken at a Company level to minimise this exposure.

Liquidity risk

The Company reviews its funding and working capital requirements on a continual basis and ensures that financial facilities are available to meet these requirements in both the short and medium term.

Key performance indicators

The KPIs that are monitored include turnover growth, margin and profit before tax.

The Directors report a 2% decrease in the group's turnover on a year-on-year basis for the 12 months to 31 March 2023 as a result of market forces in the year. The groups gross margin has remained steady at 38.9% (2022 38.9%),

The group reports an operating profit £115k (2022 £214k).

On behalf of the board



Mr JG J Alexander

Director

Date: 09/08/2023

RENZACCI UK HOLDINGS LIMITED

DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

The director presents his annual report and financial statements for the year ended 31 March 2023.

Principal activities

The principal activity of the company and group continued to be that of marketing industrial laundry and dry cleaning equipment, conveying and packaging equipment, together with air quality monitoring equipment. The company also provides management services to companies within the group

Results and dividends

The results for the year are set out on page 7.

Ordinary dividends were paid amounting to £155,727. The director does not recommend payment of a further dividend.

Director

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

Mr G Alexander
Mr JG J Alexander

(Resigned 18 February 2023)

Auditor

The auditor, Thomas Quinn, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

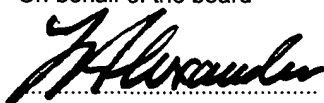
Energy and carbon report

As the group has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

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

On behalf of the board



Mr JG J Alexander
Director

Date: 09/08/2023

RENZACCI UK HOLDINGS LIMITED

DIRECTOR'S RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2023

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

RENZACCI UK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RENZACCI UK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Renzacci UK Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 the parent company's affairs as at 31 March 2023 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The director is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's report have been prepared in accordance with applicable legal requirements.

RENZACCI UK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RENZACCI UK HOLDINGS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the director's report.

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

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

Responsibilities of director

As explained more fully in the director's responsibilities statement, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the director is responsible for assessing the 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 parent company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The objectives of our audit in respect of fraud, are;

1. to identify and assess the risks of material misstatement of the financial statements due to fraud;
2. to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks;
3. and to respond appropriately to instances of fraud or suspected fraud identified during the audit.

However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

RENZACCI UK HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF RENZACCI UK HOLDINGS LIMITED

Our response was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK Financial Reporting Standards as issued by the Financial Reporting Council and UK taxation legislation.

We obtained an understanding of how the companies complies with these requirements by discussions with management and those charged with governance.

We assess the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

We inquired of management and those charged with governance as to any known instance of non-compliance of suspected non-compliance with laws and regulations.

Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This includes making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

Use of our report

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


Mr Anthony Wright
For and on behalf of Thomas Quinn

Date: 9/8/23

Chartered Accountants
Statutory Auditor

The Station House
15 Station Road
St Ives
Cambridgeshire
PE27 5BH

RENZACCI UK HOLDINGS LIMITED

GROUP PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Turnover	3	2,511,481	2,414,660
Cost of sales		(1,535,926)	(1,474,556)
Gross profit		975,555	940,104
Administrative expenses		(810,073)	(760,471)
Other operating (expenses)/income		(50,915)	34,054
Operating profit	4	114,567	213,687
Interest receivable and similar income	8	445	11
Interest payable and similar expenses	9	(5,225)	(420)
Profit before taxation		109,787	213,278
Tax on profit	10	5,627	(24,098)
Profit for the financial year		115,414	189,180

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

RENZACCI UK HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Profit for the year	115,414	189,180
	<u> </u>	<u> </u>
Other comprehensive income		
Revaluation of tangible fixed assets	316,000	-
Tax relating to other comprehensive income	(62,500)	-
	<u> </u>	<u> </u>
Other comprehensive income for the year	253,500	-
	<u> </u>	<u> </u>
Total comprehensive income for the year	368,914	189,180
	<u> </u>	<u> </u>

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

RENZACCI UK HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		1,365,880		1,005,060
Current assets					
Stocks	15	88,128		80,650	
Debtors	16	281,039		139,154	
Cash at bank and in hand		247,987		465,539	
		617,154		685,343	
Creditors: amounts falling due within one year	17	(710,965)		(705,521)	
Net current liabilities			(93,811)		(20,178)
Total assets less current liabilities			1,272,069		984,882
Creditors: amounts falling due after more than one year	18		(52,806)		(35,679)
Provisions for liabilities					
Deferred tax liability	20	71,774		14,901	
			(71,774)		(14,901)
Net assets			1,147,489		934,302
Capital and reserves					
Called up share capital	22		2,002		2,002
Revaluation reserve			246,000		-
Capital redemption reserve			20		20
Profit and loss reserves			899,467		932,280
Total equity			1,147,489		934,302

The financial statements were approved by the board of directors and authorised for issue on 09/08/23 and are signed on its behalf by:



Mr JG J Alexander
Director

Company registration number 08010218 (England and Wales)

RENZACCI UK HOLDINGS LIMITED

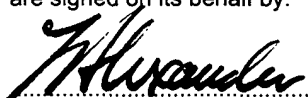
COMPANY BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		27		23,821
Investments	13		1,111		1,111
			<u>1,138</u>		<u>24,932</u>
Current assets					
Debtors	16	774,258		844,484	
Cash at bank and in hand		1,902		1,902	
		<u>776,160</u>		<u>846,386</u>	
Creditors: amounts falling due within one year	17	(8,629)		(33,244)	
Net current assets			<u>767,531</u>		<u>813,142</u>
Net assets			<u><u>768,669</u></u>		<u><u>838,074</u></u>
Capital and reserves					
Called up share capital	22		2,002		2,002
Capital redemption reserve			20		20
Profit and loss reserves			<u>766,647</u>		<u>836,052</u>
Total equity			<u><u>768,669</u></u>		<u><u>838,074</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £86,321 (2022 - £157,603 profit).

The financial statements were approved by the board of directors and authorised for issue on 09/08/23 and are signed on its behalf by:



Mr JG J Alexander
Director

Company registration number 08010218 (England and Wales)

RENZACCI UK HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £	Revaluation reserve £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2021		2,002	-	20	915,226	917,248
Year ended 31 March 2022:						
Profit and total comprehensive income		-	-	-	189,180	189,180
Dividends	11	-	-	-	(172,126)	(172,126)
Balance at 31 March 2022		2,002	-	20	932,280	934,302
Year ended 31 March 2023:						
Profit for the year		-	-	-	115,414	115,414
Other comprehensive income:						
Revaluation of tangible fixed assets		-	316,000	-	-	316,000
Tax relating to other comprehensive income		-	(62,500)	-	-	(62,500)
Total comprehensive income		-	253,500	-	115,414	368,914
Dividends	11	-	-	-	(155,727)	(155,727)
Transfers		-	(7,500)	-	7,500	-
Balance at 31 March 2023		2,002	246,000	20	899,467	1,147,489

RENZACCI UK HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 April 2021		2,002	20	850,576	852,598
Year ended 31 March 2022:					
Profit and total comprehensive income for the year		-	-	157,602	157,602
Dividends	11	-	-	(172,126)	(172,126)
Balance at 31 March 2022		2,002	20	836,052	838,074
Year ended 31 March 2023:					
Profit and total comprehensive income		-	-	86,322	86,322
Dividends	11	-	-	(155,727)	(155,727)
Balance at 31 March 2023		2,002	20	766,647	768,669

RENZACCI UK HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	24		13,719		642,925
Interest paid			(5,225)		(420)
Income taxes (paid)/refunded			(17,508)		10,712
Net cash (outflow)/inflow from operating activities			(9,014)		653,217
Investing activities					
Proceeds from disposal of intangibles		-		(465)	
Purchase of tangible fixed assets		(118,680)		(41,708)	
Proceeds from disposal of tangible fixed assets		49,265		3,000	
Interest received		445		11	
Net cash used in investing activities			(68,970)		(39,162)
Financing activities					
Repayment of bank loans		(10,000)		(7,442)	
Payment of finance leases obligations		26,159		(20,184)	
Dividends paid to equity shareholders		(155,727)		(172,126)	
Net cash used in financing activities			(139,568)		(199,752)
Net (decrease)/increase in cash and cash equivalents			(217,552)		414,303
Cash and cash equivalents at beginning of year			465,539		51,236
Cash and cash equivalents at end of year			247,987		465,539

RENZACCI UK HOLDINGS LIMITED

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from operations	25	113,701		104,824	
Interest paid		(1,360)		(420)	
Income taxes paid		(17,508)		-	
Net cash inflow from operating activities		94,833		104,404	
Investing activities					
Proceeds from disposal of tangible fixed assets		38,000		-	
Dividends received		30,000		80,000	
Net cash generated from investing activities		68,000		80,000	
Financing activities					
Payment of finance leases obligations		(7,106)		(12,278)	
Dividends paid to equity shareholders		(155,727)		(172,126)	
Net cash used in financing activities		(162,833)		(184,404)	
Net increase in cash and cash equivalents		-		-	
Cash and cash equivalents at beginning of year		1,902		1,902	
Cash and cash equivalents at end of year		1,902		1,902	

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Company information

Renzacci UK Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of Renzacci UK Holdings Limited and all of its subsidiaries.

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.

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 freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Renzacci UK Holdings Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the director has a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

1.5 Turnover

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

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

1.6 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:

Freehold land and buildings	At valuation
Plant and equipment	10% reducing balance
Motor vehicles	25% straight line

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

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Stocks

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

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

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.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including 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 payments 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.

Other financial liabilities

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 finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Derecognition of financial liabilities

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

1.12 Equity instruments

Equity instruments issued by the group 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 group.

1.13 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. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 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.

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

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

1.15 Retirement benefits

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

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.16 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.

1.17 Government grants

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

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

1.18 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 in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business	2,511,481	2,414,660
	<u>2,511,481</u>	<u>2,414,660</u>
	2023 £	2022 £
Turnover analysed by geographical market		
UK	2,498,529	2,411,902
Rest of world	12,952	2,758
	<u>2,511,481</u>	<u>2,414,660</u>

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Turnover and other revenue (Continued)

	2023 £	2022 £
Other revenue		
Interest income	445	11
Grants received	-	28,114
	<u> </u>	<u> </u>

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(118)	(554)
Government grants	-	(28,114)
Depreciation of owned tangible fixed assets	37,367	27,298
Profit on disposal of tangible fixed assets	(12,772)	(2,981)
(Profit)/loss on disposal of intangible assets	-	465
	<u> </u>	<u> </u>

5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group, company and subsidiaries	7,500	7,500
	<u> </u>	<u> </u>

6 Employees

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

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Administration and support	6	7	1	1
Sales	4	6	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	10	13	1	1
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Wages and salaries	343,994	345,759	8,124	8,126
Pension costs	27,651	21,481	20,400	20,400
	<u>371,645</u>	<u>367,240</u>	<u>28,524</u>	<u>28,526</u>

7 Director's remuneration

	2023 £	2022 £
Remuneration for qualifying services	8,124	8,126
Company pension contributions to defined contribution schemes	20,400	20,400
	<u>28,524</u>	<u>28,526</u>

8 Interest receivable and similar income

	2023 £	2022 £
Interest income		
Interest on bank deposits	445	11
	<u>445</u>	<u>11</u>
Investment income includes the following:		
	2023 £	2022 £
Interest on financial assets not measured at fair value through profit or loss	445	11
	<u>445</u>	<u>11</u>

9 Interest payable and similar expenses

	2023 £	2022 £
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	949	-
Other finance costs:		
Interest on finance leases and hire purchase contracts	4,276	420
Total finance costs	<u>5,225</u>	<u>420</u>

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	-	17,511
	<u>-</u>	<u>17,511</u>

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

10 Taxation

(Continued)

	2023 £	2022 £
Deferred tax		
Origination and reversal of timing differences	(5,627)	6,587
	<u>(5,627)</u>	<u>6,587</u>
Total tax (credit)/charge	<u>(5,627)</u>	<u>24,098</u>

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	109,787	213,278
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	20,860	40,523
Tax effect of expenses that are not deductible in determining taxable profit	1,985	6,934
Effect of change in corporation tax rate	2,225	(2,377)
Group relief	1	-
Research and development tax credit	(37,918)	(20,982)
Other non-reversing timing differences	7,220	-
	<u>(5,627)</u>	<u>24,098</u>
Taxation (credit)/charge	<u>(5,627)</u>	<u>24,098</u>

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	2022 £
Deferred tax arising on:		
Revaluation of property	62,500	-
	<u>62,500</u>	<u>-</u>

11 Dividends

	2023 £	2022 £
Recognised as distributions to equity holders:		
Interim paid	155,727	172,126
	<u>155,727</u>	<u>172,126</u>

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

12 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Motor vehicles £	Total £
Cost				
At 1 April 2022	950,000	203,233	155,804	1,309,037
Additions	-	-	118,680	118,680
Disposals	-	-	(114,688)	(114,688)
Revaluation	250,000	-	-	250,000
At 31 March 2023	1,200,000	203,233	159,796	1,563,029
Depreciation and impairment				
At 1 April 2022	66,000	131,486	106,491	303,977
Depreciation charged in the year	-	7,175	30,192	37,367
Eliminated in respect of disposals	-	-	(78,195)	(78,195)
Revaluation	(66,000)	-	-	(66,000)
At 31 March 2023	-	138,661	58,488	197,149
Carrying amount				
At 31 March 2023	1,200,000	64,572	101,308	1,365,880
At 31 March 2022	884,000	71,747	49,313	1,005,060
Company			Motor vehicles £	
Cost				
At 1 April 2022				100,590
Disposals				(100,231)
At 31 March 2023				359
Depreciation and impairment				
At 1 April 2022				76,769
Depreciation charged in the year				9
Eliminated in respect of disposals				(76,446)
At 31 March 2023				332
Carrying amount				
At 31 March 2023				27
At 31 March 2022				23,821

Tangible assets with a carrying amount of £49,531 (2022 - £49,201) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

13 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	14	-	-	1,111	1,111

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 April 2022 and 31 March 2023	1,111
Carrying amount	
At 31 March 2023	1,111
At 31 March 2022	1,111

14 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct Indirect	
Renzacci (UK) Plc	UK	Ordinary	100.00	100.00
Renzacci (UK) Logistics Limited	UK	Ordinary	100.00	100.00

15 Stocks

	Group 2023 £	2022 £	Company 2023 £	2022 £
Raw materials and consumables	88,128	80,650	-	-

16 Debtors

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade debtors	224,512	80,687	-	-
Corporation tax recoverable	5,000	5,000	-	-
Amounts owed by group undertakings	-	-	772,372	842,598
Other debtors	41,228	41,228	1,886	1,886
Prepayments and accrued income	10,299	12,239	-	-
	281,039	139,154	774,258	844,484

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

17 Creditors: amounts falling due within one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans		10,000	11,250	-	-
Obligations under finance leases	19	15,294	15,012	-	7,106
Trade creditors		143,712	448,068	276	276
Corporation tax payable		5,553	23,061	5,553	23,061
Other taxation and social security		57,996	126,855	266	266
Other creditors		4,561	4,563	2,500	2,501
Accruals and deferred income		473,849	76,712	34	34
		<u>710,965</u>	<u>705,521</u>	<u>8,629</u>	<u>33,244</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Bank loans and overdrafts		22,558	31,308	-	-
Obligations under finance leases	19	30,248	4,371	-	-
		<u>52,806</u>	<u>35,679</u>	<u>-</u>	<u>-</u>

19 Finance lease obligations

	Group 2023 £	2022 £	Company 2023 £	2022 £
Future minimum lease payments due under finance leases:				
Within one year	15,294	15,012	-	7,106
In two to five years	30,248	4,371	-	-
	<u>45,542</u>	<u>19,383</u>	<u>-</u>	<u>7,106</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

20 Deferred taxation

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

	Liabilities 2023 £	Liabilities 2022 £
Group		
Accelerated capital allowances	9,274	14,901
Revaluations	62,500	-
	<u>71,774</u>	<u>14,901</u>

The company has no deferred tax assets or liabilities.

	Group 2023 £	Company 2023 £
Movements in the year:		
Liability at 1 April 2022	14,901	-
Credit to profit or loss	(5,627)	-
Charge to other comprehensive income	62,500	-
	<u>71,774</u>	<u>-</u>
Liability at 31 March 2023	<u>71,774</u>	<u>-</u>

21 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	27,651	21,481
	<u>27,651</u>	<u>21,481</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

22 Share capital

Group and company	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 10p each	1,580	1,580	1,580	1,580
A Ordinary shares of 1p each	2,222	2,222	22	22
B Ordinary shares of 10p each	4,000	4,000	400	400
	<u>7,802</u>	<u>7,802</u>	<u>2,002</u>	<u>2,002</u>

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

23 Controlling party

The Ultimate Controlling Party is Mr J G J Alexander.

24 Cash generated from group operations

	2023 £	2022 £
Profit for the year after tax	115,414	189,180
Adjustments for:		
Taxation (credited)/charged	(5,627)	24,098
Finance costs	5,225	420
Investment income	(445)	(11)
Gain on disposal of tangible fixed assets	(12,772)	(2,981)
(Gain)/loss on disposal of intangible assets	-	465
Depreciation and impairment of tangible fixed assets	37,367	27,298
Movements in working capital:		
(Increase)/decrease in stocks	(7,478)	67,376
(Increase)/decrease in debtors	(141,885)	34,864
Increase in creditors	23,920	302,216
Cash generated from operations	13,719	642,925

25 Cash generated from operations - company

	2023 £	2022 £
Profit for the year after tax	86,322	157,602
Adjustments for:		
Taxation charged	-	17,511
Finance costs	1,360	420
Investment income	(30,000)	(80,000)
Gain on disposal of tangible fixed assets	(14,215)	-
Depreciation and impairment of tangible fixed assets	9	7,941
Movements in working capital:		
Decrease in debtors	70,226	1,349
(Decrease)/increase in creditors	(1)	1
Cash generated from operations	113,701	104,824

RENZACCI UK HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

26 Analysis of changes in net funds - group

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	465,539	(217,552)	247,987
Borrowings excluding overdrafts	(42,558)	10,000	(32,558)
Obligations under finance leases	(19,383)	(26,159)	(45,542)
	<u>403,598</u>	<u>(233,711)</u>	<u>169,887</u>

27 Analysis of changes in net funds/(debt) - company

	1 April 2022 £	Cash flows £	31 March 2023 £
Cash at bank and in hand	1,902	-	1,902
Obligations under finance leases	(7,106)	7,106	-
	<u>(5,204)</u>	<u>7,106</u>	<u>1,902</u>