

REGISTERED NUMBER: 08020783 (England and Wales)

UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

FOR

DIGBY FINE ENGLISH LTD

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FOR THE YEAR ENDED 31 MARCH 2023**

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STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	Notes	31.3.23 £	31.3.22 £
FIXED ASSETS			
Intangible assets	3	1,621	2,604
Tangible assets	4	337,958	345,682
Investments	5	<u>1</u>	<u>1</u>
		<u>339,580</u>	<u>348,287</u>
CURRENT ASSETS			
Debtors	6	2,494,819	1,980,476
Cash at bank		<u>103,831</u>	<u>167,133</u>
		2,598,650	2,147,609
CREDITORS			
Amounts falling due within one year	7	<u>(55,093)</u>	<u>(59,852)</u>
NET CURRENT ASSETS		<u>2,543,557</u>	<u>2,087,757</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,883,137	2,436,044
CREDITORS			
Amounts falling due after more than one year	8	<u>(38,120)</u>	<u>(298,084)</u>
NET ASSETS		<u>2,845,017</u>	<u>2,137,960</u>
CAPITAL AND RESERVES			
Called up share capital		444	339
Share premium		3,169,070	2,441,417
Retained earnings		<u>(324,497)</u>	<u>(303,796)</u>
		<u>2,845,017</u>	<u>2,137,960</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

STATEMENT OF FINANCIAL POSITION - continued
31 MARCH 2023

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 22 December 2023 and were signed on its behalf by:

T Clough - Director

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

1. STATUTORY INFORMATION

DIGBY FINE ENGLISH LTD is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 08020783

Registered office: 55-57 High Street
Arundel
West Sussex
BN18 9AJ

The principal activity of the company is that of a holding company.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Consolidation

The company has taken advantage of the option not to prepare consolidated financial statements contained in Section 398 of the Companies Act 2006 on the basis that the company and its subsidiary undertakings comprise a small group.

Significant judgements and estimates

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.

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 amounts of assets and liabilities within the next financial year are as follows:

As described in the accounting policies of the financial statements, depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take in to account actual asset lives and residual values as evidenced by disposals during current and prior accounting periods.

Going concern

Subsequent to the period covered in this report, Digby Fine English Limited completed its existing fundraising plans to capitalise the business and completed the in-sourcing of its secondary production to improve margins, which has improved the capital and working capital positions of the company. Going forward, the Directors will continue with additional fundraising as and when needed.

The company therefore continues to adopt the going concern basis in preparing the financial statements.

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

2. ACCOUNTING POLICIES - continued

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are recorded at the fair value at the acquisition date.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows: .

Trademarks - 10% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life as follows:

Freehold property - 25 years straight line

Plant and machinery - 10 years straight line

Land is not depreciated.

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Investments in subsidiaries

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

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

2. ACCOUNTING POLICIES - continued

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Hire purchase and leasing commitments

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

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

3. INTANGIBLE FIXED ASSETS

COSTAt 1 April 2022
and 31 March 2023Trademarks
£9,829**AMORTISATION**At 1 April 2022
Amortisation for year
At 31 March 2023

7,225

9838,208**NET BOOK VALUE**At 31 March 2023
At 31 March 20221,6212,604

4. TANGIBLE FIXED ASSETS

COSTAt 1 April 2022
Additions
Disposals
At 31 March 2023Freehold
property
£

280,290

15,316

-

295,606Plant and
machinery
£

69,714

1,170

(14,000)56,884Totals
£

350,004

16,486

(14,000)352,490**DEPRECIATION**At 1 April 2022
Charge for year
Eliminated on disposal
At 31 March 2023

1,417

3,735

-

5,152

2,905

7,058

(583)9,380

4,322

10,793

(583)14,532**NET BOOK VALUE**At 31 March 2023
At 31 March 2022290,454278,87347,50466,809337,958345,682

Included in freehold property is land of £195,290 (2022: £195,290) which is not depreciated.

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

5. FIXED ASSET INVESTMENTS

	Shares in group undertaking £
COST	
At 1 April 2022 and 31 March 2023	<u>1</u>
NET BOOK VALUE	
At 31 March 2023	<u>1</u>
At 31 March 2022	<u>1</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Amounts owed by group undertakings	2,493,199	1,948,434
Other debtors	-	30,903
VAT	<u>1,620</u>	<u>1,139</u>
	<u>2,494,819</u>	<u>1,980,476</u>

Amounts owed by group undertakings are unsecured, interest free, and are repayable on demand.

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.23 £	31.3.22 £
Bank loans and overdrafts	10,000	10,000
Hire purchase contracts	4,710	-
Other creditors	-	457
Accruals and deferred income	<u>40,383</u>	<u>49,395</u>
	<u>55,093</u>	<u>59,852</u>

8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.23 £	31.3.22 £
Bank loans - 1-2 years	10,000	10,000
Bank loans - 2-5 years	13,205	22,890
Hire purchase contracts	14,915	-
Other creditors	-	265,194
	<u>38,120</u>	<u>298,084</u>

The bank loan is a Government Bounce Back Loan. The loan is repayable in June 2026.

Other creditors relates to loan notes. £Nil (2022: £65,487) of the loan notes is secured via a floating charge over all property and assets of the company.

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

9. OTHER FINANCIAL COMMITMENTS

The amount of other commitments, guarantees and contingencies is £38,517 (2022: nil).

10. EVENTS AFTER THE END OF THE REPORTING PERIOD

There were no significant events up to the date of approval of the financial statements by the Board.

11. GOING CONCERN

Subsequent to the period covered in this report, Digby Fine English Limited completed its existing fundraising plans to capitalise the business and completed the in-sourcing of its secondary production to improve margins, which has improved the capital and working capital positions of the company. Going forward, the Directors will continue with additional fundraising as and when needed.

The company therefore continues to adopt the going concern basis in preparing the financial statements.

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.