



Company registration number 08537154 (England and Wales)

2T HOLDINGS LIMITED
ANNUAL REPORT AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

2T HOLDINGS LIMITED

COMPANY INFORMATION

Directors	T A Herridge A G Herridge
Company number	08537154
Registered office	Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ
Auditor	Moore Rutland House Minerva Business Park Lynch Wood Peterborough PE2 6PZ
Business address	Unit 8 Hudson Road Saxby Road Industrial Estate Melton Mowbray Leicestershire LE13 1BS

2T HOLDINGS LIMITED

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2T HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2022

The directors present the strategic report for the year ended 31 May 2022.

Fair review of the business

The results for the year are set out in the Statement of Income and Retained Earnings.

The group sells pumps, power equipment and related fluid handling components and accessories to a wide range of industries. We also produce pressure washers, pumping solutions and component assemblies for our dealer and manufacturing partners. The Directors are pleased that sales have remained strong despite continued challenges of regular supplier price increases, increased freight costs, and various variable surcharges; all driven by raw material and energy costs. Our strong stock holding has provided a buffer to many of these costs, allowing us time to properly assess the consequences of these variations, and ensuring we only pass on the necessary costs and provide our customers with as much stability as possible during these challenging times.

For the new financial year, we expect to be exposed to exchange rate volatility, and the reported downturn in consumer confidence may affect demand. Despite this, we will continue to be aggressive with regards to our stock holding to support our customers.

The Directors are pleased to report that the group's profit after taxation for the year was £1,369,743 (2021: £1,282,231). Turnover of £12,950,881 (2021: 13,304,666) achieved a gross profit of £4,214,118 (2021: £4,190,534) giving a gross profit margin of 32.5% (2021: 31.5%).

During the year, dividends of £400,000 (2021: £200,000) were paid by the group.

Principal risks and uncertainties

The management of the business and the nature of the group's strategy are subject to a number of business risks and uncertainties.

The principal risks facing the business, along with the group's approach to mitigating those risks are set out below:

Stock

The principal risk and uncertainty facing the group at present is the availability and increased cost of stock. The business has continued to achieve consistent profit margins through the last year and has mitigated supply chain uncertainties through monitoring purchasing and stock levels on an ongoing basis.

Currency risk

The group is exposed to translation and transaction foreign exchange risk, and seeks to reduce this risk wherever possible.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Interest rate risk

The group finances its operations through retained profits. Interest rate risk is therefore limited.

Credit risk

The group's principal financial assets are bank deposits, cash and trade debtors. The principal credit risk arises from the group's trade debtors.

Trade debtors have limits set based on a combination of payment history and 3rd party credit checks depending on order value. Where limits are exceeded, individual review and authorisation is required.

Development and performance

The directors anticipate the business environment will remain challenging as supply chains and inflation continue to impact. They believe that the group is in a good financial position and that the risks that have been identified are being well managed.

2T HOLDINGS LIMITED

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MAY 2022

On behalf of the board

T A Herridge
Director

7 October 2022

2T HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2022

The directors present their annual report and financial statements for the year ended 31 May 2022.

Principal activities

The principal activity of the company continued to be that of a group holding and property management company.

The principal activity of the group continued to be that of retailing pumps and pumping equipment.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £400,000. The directors do not recommend payment of a further dividend.

Directors

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

T A Herridge
A G Herridge

Auditor

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

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are 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. They are 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.

2T HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

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

T A Herridge
Director

7 October 2022

2T HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF 2T HOLDINGS LIMITED

Opinion

We have audited the financial statements of 2T Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2022 which comprise 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 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 May 2022 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors with respect to going concern are described in the relevant sections of this report.

Other information

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

We have nothing to report in this regard.

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

2T HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF 2T 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 directors' report.

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

- adequate accounting records have not been kept 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 directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the 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 directors either intend to liquidate the parent company or to cease operations, or have 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.

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; 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; 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 group.

Our approach was as follows:

We obtained an understanding of the legal and regulatory requirements applicable to the group 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 group complies with these requirements by discussions with management and those charged with governance.

We assessed 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.

Where management employ experts for valuation of stock we assessed the risk of material misstatement of the financial statements arising from this relationship.

2T HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF 2T HOLDINGS LIMITED

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

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.

Comparative figures

The financial statements of the group for the previous year ended 31 May 2021 were not subject to audit.

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.

Robert Pluck (Senior Statutory Auditor)
For and on behalf of Moore

12 October 2022

Chartered Accountants
Statutory Auditor

Rutland House
Minerva Business Park
Lynch Wood
Peterborough
PE2 6PZ

2T HOLDINGS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MAY 2022

	Notes	2022 £	2021 £
Turnover	3	12,950,881	13,304,666
Cost of sales		(8,736,763)	(9,114,132)
Gross profit		4,214,118	4,190,534
Administrative expenses		(2,689,746)	(2,710,254)
Other operating income		37,502	69,629
Operating profit	4	1,561,874	1,549,909
Interest receivable and similar income	8	4,064	1,582
Fair value movements	9	149,130	21,424
Profit before taxation		1,715,068	1,572,915
Tax on profit	10	(345,325)	(290,684)
Profit for the financial year		1,369,743	1,282,231

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

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

2T HOLDINGS LIMITED

GROUP BALANCE SHEET

AS AT 31 MAY 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		299,902		380,712
Investment properties	13		1,150,000		985,657
			<u>1,449,902</u>		<u>1,366,369</u>
Current assets					
Stocks	17	4,225,242		3,117,874	
Debtors	18	2,833,757		2,883,092	
Investments	19	256,464		271,458	
Cash at bank and in hand		2,647,579		2,531,903	
		<u>9,963,042</u>		<u>8,804,327</u>	
Creditors: amounts falling due within one year	20	(1,729,323)		(1,492,954)	
Net current assets			<u>8,233,719</u>		<u>7,311,373</u>
Total assets less current liabilities			<u>9,683,621</u>		<u>8,677,742</u>
Provisions for liabilities					
Deferred tax liability	21	87,220		51,084	
		<u>(87,220)</u>		<u>(51,084)</u>	
Net assets			<u>9,596,401</u>		<u>8,626,658</u>
Capital and reserves					
Called up share capital	23		200		200
Share premium account			4,509,996		4,509,996
Profit and loss reserves			5,086,205		4,116,462
Total equity			<u>9,596,401</u>		<u>8,626,658</u>

The financial statements were approved by the board of directors and authorised for issue on 7 October 2022 and are signed on its behalf by:

T A Herridge
Director

2T HOLDINGS LIMITED

COMPANY BALANCE SHEET

AS AT 31 MAY 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12		535		1,071
Investment properties	13		1,150,000		985,657
Investments	14		3,760,096		3,760,096
			<u>4,910,631</u>		<u>4,746,824</u>
Current assets					
Debtors	18	1,200,857		1,326,750	
Investments	19	256,464		271,458	
Cash at bank and in hand		1,295,848		716,760	
		<u>2,753,169</u>		<u>2,314,968</u>	
Creditors: amounts falling due within one year	20	(103,744)		(64,497)	
Net current assets			<u>2,649,425</u>		<u>2,250,471</u>
Total assets less current liabilities			<u>7,560,056</u>		<u>6,997,295</u>
Provisions for liabilities					
Deferred tax liability	21	41,220		204	
		<u>(41,220)</u>		<u>(204)</u>	
Net assets			<u>7,518,836</u>		<u>6,997,091</u>
Capital and reserves					
Called up share capital	23		200		200
Share premium account			4,509,996		4,509,996
Profit and loss reserves			3,008,640		2,486,895
Total equity			<u>7,518,836</u>		<u>6,997,091</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 £858,488 (2021- £1,301,590 profit).

The financial statements were approved by the board of directors and authorised for issue on 7 October 2022 and are signed on its behalf by:

T A Herridge
Director

Company Registration No. 08537154

2T HOLDINGS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2022

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 June 2020		200	4,509,996	3,034,231	7,544,427
Year ended 31 May 2021:					
Profit and total comprehensive income for the year		-	-	1,282,231	1,282,231
Dividends	11	-	-	(200,000)	(200,000)
Balance at 31 May 2021		200	4,509,996	4,116,462	8,626,658
Year ended 31 May 2022:					
Profit and total comprehensive income for the year		-	-	1,369,743	1,369,743
Dividends	11	-	-	(400,000)	(400,000)
Balance at 31 May 2022		200	4,509,996	5,086,205	9,596,401

2T HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2022

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 June 2020		200	4,509,996	1,385,305	5,895,501
Year ended 31 May 2021:					
Profit and total comprehensive income for the year		-	-	1,301,590	1,301,590
Dividends	11	-	-	(200,000)	(200,000)
Balance at 31 May 2021		200	4,509,996	2,486,895	6,997,091
Year ended 31 May 2022:					
Profit and total comprehensive income for the year		-	-	921,745	921,745
Dividends	11	-	-	(400,000)	(400,000)
Balance at 31 May 2022		200	4,509,996	3,008,640	7,518,836

2T HOLDINGS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2022

		2022	2021
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	27	674,619	896,545
Income taxes paid		(257,418)	(184,989)
Net cash inflow from operating activities		<u>417,201</u>	<u>711,556</u>
Investing activities			
Purchase of tangible fixed assets		(25,345)	(176,794)
Proceeds from disposal of tangible fixed assets		20,000	17,930
Purchase of investments		(219)	(250,034)
Loans made		-	(12,475)
Repayment of loans		99,975	-
Interest received		2,021	906
Dividends received		2,043	676
Net cash generated from/(used in) investing activities		<u>98,475</u>	<u>(419,791)</u>
Financing activities			
Dividends paid to equity shareholders		(400,000)	(200,000)
Net cash used in financing activities		<u>(400,000)</u>	<u>(200,000)</u>
Net increase in cash and cash equivalents		<u>115,676</u>	<u>91,765</u>
Cash and cash equivalents at beginning of year		2,531,903	2,440,138
Cash and cash equivalents at end of year		<u><u>2,647,579</u></u>	<u><u>2,531,903</u></u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

Company information

2T Holdings Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Rutland House, Minerva Business Park, Lynch Wood, Peterborough, PE2 6PZ. The principal place of business is Unit 8 Hudson Road, Saxby Road Industrial Estate, Melton Mowbray, Leicestershire, LE13 1BS.

The group consists of 2T 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 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 2T 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 May 2022. 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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.4 Going concern

Whilst the impact of coronavirus has dissipated to some degree, the legacy of its effect continues to be felt throughout most sectors of the economy. Other matters such as supply chain issues and rising prices, particularly fuel and energy, are impacting across all businesses. Going concern is therefore an important area that the directors are keeping under close scrutiny. No immediate concerns in relation to the company's long term future have been identified, but this area continues to be monitored. The directors are satisfied that the steps they have taken in the short term are appropriate and effective.

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue 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.

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. Revenue from delivery charges are recognised in the period in which the corresponding sale relates.

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:

Leasehold improvements	Evenly over the period of the lease
Plant and machinery	20% per annum reducing balance
Fixtures and fittings	20% per annum reducing balance
Computers	3 years straight line
Motor vehicles	25% per annum reducing balance

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.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.8 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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

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.

1.9 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.

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.

1.10 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.

1.11 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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

1.12 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.

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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

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.

Derecognition of financial liabilities

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

1.13 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.

1.14 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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

1 Accounting policies

(Continued)

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.

1.15 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.

1.16 Retirement benefits

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

1.17 Leases

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 leased asset are consumed.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.18 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.

1.19 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.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are 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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock impairment

Stock lines that have not moved in 3 years are considered obsolete and are provided for in full.

Property valuation

Investment properties are valued annually by the directors.

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by class of business		
Sale of goods	12,601,012	12,932,056
Delivery charges	349,869	372,610
	<u>12,950,881</u>	<u>13,304,666</u>

	2022	2021
	£	£
Other revenue		
Interest income	2,021	906
Dividends received	2,043	676
Grants received	-	27,614
	<u>-</u>	<u>28,196</u>

4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(9,998)	(32,807)
Government grants	-	(27,614)
Depreciation of owned tangible fixed assets	87,694	127,928
Profit on disposal of tangible fixed assets	(1,539)	(5,099)
Operating lease charges	<u>183,312</u>	<u>140,949</u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	5,400	-
Audit of the financial statements of the company's subsidiaries	12,600	-
	<u>18,000</u>	<u>-</u>

6 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Administration	12	12	-	-
Sales	10	10	-	-
Warehouse and production	21	21	-	-
Directors	2	2	2	2
Total	<u>45</u>	<u>45</u>	<u>2</u>	<u>2</u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	1,593,982	1,626,628	-	-
Social security costs	163,549	169,843	-	-
Pension costs	103,236	198,313	-	-
	<u>1,860,767</u>	<u>1,994,784</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	266,992	328,027
Company pension contributions to defined contribution schemes	40,000	31,328
	<u>306,992</u>	<u>359,355</u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

7 Directors' remuneration

(Continued)

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022	2021
	£	£
Remuneration for qualifying services	210,323	271,371
Company pension contributions to defined contribution schemes	40,000	146,182
	<u>250,323</u>	<u>417,553</u>

8 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	475	190
Other interest income	1,546	716
	<u>2,021</u>	<u>906</u>
Total interest revenue	2,021	906
Other income from investments		
Dividends received	2,043	676
	<u>4,064</u>	<u>1,582</u>
Total income	4,064	1,582

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	475	190
	<u>475</u>	<u>190</u>

9 Fair value movements

	2022	2021
	£	£
Fair value gains/(losses) on financial instruments		
(Loss)/gain on financial assets held at fair value through profit or loss	(15,213)	21,424
Other gains/(losses)		
Changes in the fair value of investment properties	164,343	-
	<u>149,130</u>	<u>21,424</u>

10 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	309,189	293,980
	<u>309,189</u>	<u>293,980</u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

10 Taxation

(Continued)

	2022	2021
	£	£
Deferred tax		
Origination and reversal of timing differences	36,136	(3,296)
	<u> </u>	<u> </u>
Total tax charge	345,325	290,684
	<u> </u>	<u> </u>

On the 3 March 2021 Budget it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. Deferred tax has therefore been calculated at 25%.

The actual 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:

	2022	2021
	£	£
Profit before taxation	1,715,068	1,572,915
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	325,863	298,854
Tax effect of expenses that are not deductible in determining taxable profit	640	1,208
Tax effect of income not taxable in determining taxable profit	(388)	(128)
Gains not taxable	-	1,833
Effect of change in corporation tax rate	9,893	-
Depreciation on assets not qualifying for tax allowances	2,213	3,181
Effect of revaluations of investments	2,890	(4,071)
Other permanent differences	4,214	(10,193)
	<u> </u>	<u> </u>
Taxation charge	345,325	290,684
	<u> </u>	<u> </u>

11 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Interim paid	400,000	200,000
	<u> </u>	<u> </u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

12 Tangible fixed assets

Group	Leasehold improvements	Plant and machinery	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 June 2021	364,054	55,526	943,730	1,607	209,798	1,574,715
Additions	10,683	-	14,662	-	-	25,345
Disposals	-	-	-	-	(24,615)	(24,615)
At 31 May 2022	374,737	55,526	958,392	1,607	185,183	1,575,445
Depreciation and impairment						
At 1 June 2021	239,809	44,670	792,261	536	116,727	1,194,003
Depreciation charged in the year	21,341	2,169	45,189	536	18,459	87,694
Eliminated in respect of disposals	-	-	-	-	(6,154)	(6,154)
At 31 May 2022	261,150	46,839	837,450	1,072	129,032	1,275,543
Carrying amount						
At 31 May 2022	113,587	8,687	120,942	535	56,151	299,902
At 31 May 2021	124,245	10,856	151,469	1,071	93,071	380,712
Company						Computers
						£
Cost						
At 1 June 2021 and 31 May 2022						1,607
Depreciation and impairment						
At 1 June 2021						536
Depreciation charged in the year						536
At 31 May 2022						1,072
Carrying amount						
At 31 May 2022						535
At 31 May 2021						1,071

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

13 Investment property

	Group 2022 £	Company 2022 £
Fair value		
At 1 June 2021	985,657	985,657
Net gains or losses through fair value adjustments	164,343	164,343
At 31 May 2022	<u>1,150,000</u>	<u>1,150,000</u>

Investment property comprises a number of residential and commercial properties. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 May 2022 by the directors. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	3,760,096	3,760,096

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 June 2021 and 31 May 2022	3,760,096
Carrying amount	
At 31 May 2022	<u>3,760,096</u>
At 31 May 2021	<u>3,760,096</u>

15 Subsidiaries

Details of the company's subsidiaries at 31 May 2022 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Dual Pumps Limited	Unit 8 Hudson Road, Saxby Road Industrial Estate, Melton Mowbray, Leicestershire, LE13 1BS	Ordinary shares	100.00

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

16 Financial instruments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	256,464	271,458	256,464	271,458

17 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Finished goods and goods for resale	4,225,242	3,117,874	-	-

Included within finished goods and goods for resale is an impairment provision of £83,130 (2021 £72,591) for slow moving and obsolete items. Impairment is charged to cost of sales in the profit and loss account.

18 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	2,434,583	2,336,222	1,575	999
Corporation tax recoverable	104,813	141,375	104,813	141,375
Amounts owed by group undertakings	-	-	858,463	858,463
Other debtors	232,500	332,818	232,500	322,843
Prepayments and accrued income	61,861	72,677	3,506	3,070
	2,833,757	2,883,092	1,200,857	1,326,750

19 Current asset investments

	Group 2022 £	2021 £	Company 2022 £	2021 £
Unlisted investments	256,464	271,458	256,464	271,458

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

20 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Trade creditors	623,235	482,757	551	224
Corporation tax payable	309,189	293,980	97,461	62,073
Other taxation and social security	655,296	691,081	332	-
Other creditors	106,055	7,387	-	-
Accruals and deferred income	35,548	17,749	5,400	2,200
	<u>1,729,323</u>	<u>1,492,954</u>	<u>103,744</u>	<u>64,497</u>

21 Deferred taxation

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

Group	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	46,134	51,084
Fair value differences	41,086	-
	<u>87,220</u>	<u>51,084</u>
Company	Liabilities 2022 £	Liabilities 2021 £
Accelerated capital allowances	134	204
Fair value differences	41,086	-
	<u>41,220</u>	<u>204</u>
Movements in the year:	Group 2022 £	Company 2022 £
Liability at 1 June 2021	51,084	204
Charge to profit or loss	36,136	41,016
Liability at 31 May 2022	<u>87,220</u>	<u>41,220</u>

The deferred tax liability set out above is not expected to change significantly within the next 12 months.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

22 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	103,236	198,313

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.

23 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 50p each	200	200	100	100
Non-voting Ordinary shares of 50p each	200	200	100	100
	<u>400</u>	<u>400</u>	<u>200</u>	<u>200</u>

The Ordinary 50p shares confer one vote per share held.

The Non-voting Ordinary 50p shares confer no right to vote except if a change to the Articles is proposed which would devalue or otherwise affect the value of the Non-Voting Shares.

The shares rank equally in all other respects.

24 Operating lease commitments

Lessee

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Within one year	149,043	149,548	-	-
Between two and five years	518,639	589,691	-	-
In over five years	-	77,594	-	-
	<u>667,682</u>	<u>816,833</u>	<u>-</u>	<u>-</u>

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

24 Operating lease commitments

(Continued)

Lessor

The operating leases represent short term tenancy agreements over residential properties with third parties.

At the reporting end date the group had contracted with tenants for the following minimum lease payments:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Within one year	3,083	4,158	3,083	4,158

25 Directors' transactions

Dividends totalling £244,000 (2021 - £122,000) were paid in the year in respect of shares held by the company's directors.

Advances or credits have been granted by the group to its directors as follows:

Description	% Rate	Opening balance	Amounts repaid	Closing balance
		£	£	£
Advance	-	222,500	(90,000)	132,500
		222,500	(90,000)	132,500

Advances to directors are interest free, unsecured and repayable on demand.

26 Controlling party

The company is controlled by A G Herridge by virtue of his majority shareholding.

2T HOLDINGS LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2022

27 Cash generated from group operations

	2022 £	2021 £
Profit for the year after tax	1,369,743	1,282,231
Adjustments for:		
Taxation charged	345,325	290,684
Investment income	(4,064)	(1,582)
Gain on disposal of tangible fixed assets	(1,539)	(5,099)
Fair value gain on investment properties	(164,343)	-
Depreciation and impairment of tangible fixed assets	87,694	127,928
Other gains and losses	15,213	(21,424)
Movements in working capital:		
Increase in stocks	(1,107,368)	(243,536)
Increase in debtors	(87,202)	(489,021)
Increase/(decrease) in creditors	221,160	(43,636)
Cash generated from operations	674,619	896,545

28 Analysis of changes in net funds - group

	1 June 2021 £	Cash flows £	31 May 2022 £
Cash at bank and in hand	2,531,903	115,676	2,647,579

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.