

Company registration number 11032291 (England and Wales)

**PURE COLD HOLDINGS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 OCTOBER 2022**

# PURE COLD HOLDINGS LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	P Jolliffe	
	T Harris	(Appointed 5 January 2022)
	D Kaplan	(Appointed 16 November 2022)

<b>Secretary</b>	ML Isaacs
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<b>Company number</b>	11032291
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<b>Registered office</b>	Unit 14, Stanford Business Court 21-23 High Street Stanford In The Vale Faringdon Oxon SN7 8LH
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<b>Auditor</b>	Myers Clark Egale 1 80 St Albans Road Watford Hertfordshire WD17 1DL
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# **PURE COLD HOLDINGS LIMITED**

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# PURE COLD HOLDINGS LIMITED

## STRATEGIC REPORT

### *FOR THE YEAR ENDED 31 OCTOBER 2022*

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The directors present their strategic report together with their audited accounts for the year ended 31 October 2022. The directors aim to present a balanced and comprehensive review of the performance of the business during the year and position at the year end.

#### **Review of the business**

All subsidiaries performed well and were able to build on existing customer relationships and generate new business and market diversification. All companies performed profitably and outperformed market industry trends in what remains a sluggish and challenging UK retail market. The USA subsidiary is also now gaining significant traction in that market place.

Group turnover increased by 37.4% on previous year which also reflected in an increase in gross profit.

#### **Principal risks and uncertainties**

Competition - the company operates in an extremely competitive marketplace for its products and services. The nature of the company's core customers, grocery retailers, means pressures on pricing is always high. The company is constantly reviewing its products and processes to be competitive in this environment.

Credit risk - the company is mainly exposed to credit risk from credit sales. The current financial climate could lead to increased risk of customer insolvency. The company actively monitors credit limits and credit reference reporting to mitigate and manage exposure. Cash flow is monitored by the directors on a regular basis and appropriate actions taken where required to support the group businesses.

Supply chain risk and inflation - as global markets have emerged from Covid lockdowns there have been significant inefficiencies in supply chains. This has led to significant cost increases, delays and uncertainties. Inflationary and supply pressures have been exacerbated by events in Ukraine and to an extent Brexit. All businesses in the group are working both internally and with suppliers and customers to mitigate the risks.

#### **Key performance indicators**

The key performance indicators are considered to be revenue and gross profit.

Revenue increased by 37.4% (2021: £13.3m; 2022: £18.3m).

Gross profit for the year increased by 27.4% (2021: £3.7m; 2022: £4.7m).

On behalf of the board

T Harris

**Director**

25 July 2023

# PURE COLD HOLDINGS LIMITED

## DIRECTORS' REPORT

***FOR THE YEAR ENDED 31 OCTOBER 2022***

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

### **Principal activities**

The principal activity of the company and group continued to be that of importation, sale and service of retail refrigeration equipment.

### **Results and dividends**

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

Ordinary dividends were paid amounting to £926,842. 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:

M Isaacs	(Resigned 16 November 2022)
C Howard	(Resigned 31 March 2022)
P Jolliffe	
D Swabey	(Resigned 16 November 2022)
T Harris	(Appointed 5 January 2022)
D Kaplan	(Appointed 16 November 2022)

### **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

T Harris  
**Director**

25 July 2023

## **PURE COLD HOLDINGS LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 OCTOBER 2022***

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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.

# PURE COLD HOLDINGS LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF PURE COLD HOLDINGS LIMITED

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#### Opinion

We have audited the financial statements of Pure Cold Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 October 2022 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 October 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.

## **PURE COLD HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF PURE COLD HOLDINGS LIMITED**

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##### **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.

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

##### **Identifying and assessing risks of material misstatement in respect of irregularities**

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
  - identifying, evaluating and complying with laws and regulation and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
  - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.



## **PURE COLD HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF PURE COLD HOLDINGS LIMITED**

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##### **Audit response to risks identified**

As a result of performing the above, we identified revenue recognition and the management override of controls as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- testing the completeness of income from outside the accounting system to within;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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.

**Paul Windmill (Senior Statutory Auditor)**  
**For and on behalf of Myers Clark**

26 July 2023

**Chartered Accountants**  
**Statutory Auditor**

Egale 1  
80 St Albans Road  
Watford  
Hertfordshire  
WD17 1DL

# PURE COLD HOLDINGS LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 OCTOBER 2022

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	18,314,889	13,333,457
Cost of sales		(13,606,160)	(9,636,141)
<b>Gross profit</b>		<b>4,708,729</b>	<b>3,697,316</b>
Administrative expenses		(3,019,032)	(2,369,410)
Other operating income		-	84,505
<b>Operating profit</b>	<b>4</b>	<b>1,689,697</b>	<b>1,412,411</b>
Interest payable and similar expenses	<b>7</b>	(75,565)	(34,141)
<b>Profit before taxation</b>		<b>1,614,132</b>	<b>1,378,270</b>
Tax on profit	<b>8</b>	(246,198)	(224,682)
<b>Profit for the financial year</b>		<b>1,367,934</b>	<b>1,153,588</b>
Profit for the financial year is attributable to:			
- Owners of the parent company		1,359,306	1,114,603
- Non-controlling interests		8,628	38,985
		<b>1,367,934</b>	<b>1,153,588</b>

# PURE COLD HOLDINGS LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 OCTOBER 2022*

	2022 £	2021 £
Profit for the year	1,367,934	1,153,588
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,367,934</u>	<u>1,153,588</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,359,306	1,114,603
- Non-controlling interests	8,628	38,985
	<u>1,367,934</u>	<u>1,153,588</u>

# PURE COLD HOLDINGS LIMITED

## GROUP BALANCE SHEET

AS AT 31 OCTOBER 2022

		2022		2021	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Goodwill	10		279,157		294,666
Tangible assets	11		246,428		247,257
			<u>525,585</u>		<u>541,923</u>
<b>Current assets</b>					
Stocks	14	2,604,865		1,301,041	
Debtors	15	4,138,394		3,065,715	
Cash at bank and in hand		1,787,497		1,401,623	
		<u>8,530,756</u>		<u>5,768,379</u>	
<b>Creditors: amounts falling due within one year</b>					
	16	(5,311,656)		(2,784,966)	
		<u></u>		<u></u>	
<b>Net current assets</b>			3,219,100		2,983,413
<b>Total assets less current liabilities</b>			<u>3,744,685</u>		<u>3,525,336</u>
<b>Creditors: amounts falling due after more than one year</b>					
	17		(282,292)		(400,000)
<b>Provisions for liabilities</b>					
Deferred tax liability	19	49,964		36,649	
		<u></u>	<u>(49,964)</u>	<u></u>	<u>(36,649)</u>
<b>Net assets</b>			<u>3,412,429</u>		<u>3,088,687</u>
<b>Capital and reserves</b>					
Called up share capital	22		111,000		111,000
Share premium account			27,000		27,000
Profit and loss reserves			3,119,647		2,804,533
			<u>3,257,647</u>		<u>2,942,533</u>
<b>Equity attributable to owners of the parent company</b>			3,257,647		2,942,533
<b>Non-controlling interests</b>			154,782		146,154
			<u>3,412,429</u>		<u>3,088,687</u>

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on its behalf by:

T Harris  
Director

Company registration number 11032291 (England and Wales)

# PURE COLD HOLDINGS LIMITED

## COMPANY BALANCE SHEET

AS AT 31 OCTOBER 2022

		2022	2021
	Notes	£	£
<b>Fixed assets</b>			
Tangible assets	11	161	161
Investments	12	413,418	413,418
		<u>413,579</u>	<u>413,579</u>
<b>Current assets</b>			
Debtors	15	435,055	313,262
Cash at bank and in hand		128,682	37,037
		<u>563,737</u>	<u>350,299</u>
<b>Creditors: amounts falling due within one year</b>			
	16	(457,196)	(620,329)
		<u></u>	<u></u>
<b>Net current assets/(liabilities)</b>		106,541	(270,030)
		<u></u>	<u></u>
<b>Net assets</b>		520,120	143,549
		<u></u>	<u></u>
<b>Capital and reserves</b>			
Called up share capital	22	111,000	111,000
Share premium account		27,000	27,000
Profit and loss reserves		382,120	5,549
		<u></u>	<u></u>
<b>Total equity</b>		520,120	143,549
		<u></u>	<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 £1,303,413 (2021 - £544,191 profit).

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

The financial statements were approved by the board of directors and authorised for issue on 25 July 2023 and are signed on its behalf by:

T Harris  
Director

Company registration number 11032291 (England and Wales)

# PURE COLD HOLDINGS LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2022

	Share capital	Share premium account	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
Notes	£	£	£	£	£	£
<b>Balance at 1 November 2020</b>	102,000	-	2,289,022	2,391,022	107,169	2,498,191
<b>Year ended 31 October 2021:</b>						
Profit and total comprehensive income	-	-	1,114,603	1,114,603	38,985	1,153,588
Issue of share capital	9,000	27,000	-	36,000	-	36,000
Dividends	9	-	(599,092)	(599,092)	-	(599,092)
<b>Balance at 31 October 2021</b>	111,000	27,000	2,804,533	2,942,533	146,154	3,088,687
<b>Year ended 31 October 2022:</b>						
Profit and total comprehensive income	-	-	1,359,306	1,359,306	8,628	1,367,934
Dividends	9	-	(1,044,192)	(1,044,192)	-	(1,044,192)
<b>Balance at 31 October 2022</b>	111,000	27,000	3,119,647	3,257,647	154,782	3,412,429

# PURE COLD HOLDINGS LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 OCTOBER 2022

		Share capital	Share premium account	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 November 2020</b>		102,000	-	4,450	106,450
<b>Year ended 31 October 2021:</b>					
Profit and total comprehensive income for the year		-	-	544,191	544,191
Issue of share capital	22	9,000	27,000	-	36,000
Dividends	9	-	-	(543,092)	(543,092)
<b>Balance at 31 October 2021</b>		111,000	27,000	5,549	143,549
<b>Year ended 31 October 2022:</b>					
Profit and total comprehensive income		-	-	1,303,413	1,303,413
Dividends	9	-	-	(926,842)	(926,842)
<b>Balance at 31 October 2022</b>		111,000	27,000	382,120	520,120

# PURE COLD HOLDINGS LIMITED

## GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 OCTOBER 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	25	1,888,418	1,460,080
Interest paid		(75,565)	(34,141)
Income taxes paid		(193,771)	(60,607)
<b>Net cash inflow from operating activities</b>		<b>1,619,082</b>	<b>1,365,332</b>
<b>Investing activities</b>			
Purchase of tangible fixed assets		(92,606)	(225,339)
Proceeds from disposal of tangible fixed assets		21,298	14,245
<b>Net cash used in investing activities</b>		<b>(71,308)</b>	<b>(211,094)</b>
<b>Financing activities</b>			
Proceeds from issue of shares		-	36,000
Repayment of bank loans		(117,708)	-
Dividends paid to equity shareholders		(1,044,192)	(599,092)
<b>Net cash used in financing activities</b>		<b>(1,161,900)</b>	<b>(563,092)</b>
<b>Net increase in cash and cash equivalents</b>		<b>385,874</b>	<b>591,146</b>
Cash and cash equivalents at beginning of year		1,401,623	810,477
<b>Cash and cash equivalents at end of year</b>		<b>1,787,497</b>	<b>1,401,623</b>



# PURE COLD HOLDINGS LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 OCTOBER 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26	100,058		267,978	
Income taxes paid		(61,063)		(22,013)	
<b>Net cash inflow from operating activities</b>		<u>38,995</u>		<u>245,965</u>	
<b>Investing activities</b>					
Dividends received		<u>979,492</u>		<u>283,870</u>	
<b>Net cash generated from investing activities</b>		979,492		283,870	
<b>Financing activities</b>					
Proceeds from issue of shares		-		36,000	
Dividends paid to equity shareholders		<u>(926,842)</u>		<u>(543,092)</u>	
<b>Net cash used in financing activities</b>		(926,842)		(507,092)	
<b>Net increase in cash and cash equivalents</b>		<u>91,645</u>		<u>22,743</u>	
Cash and cash equivalents at beginning of year		<u>37,037</u>		<u>14,294</u>	
<b>Cash and cash equivalents at end of year</b>		<u><u>128,682</u></u>		<u><u>37,037</u></u>	

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 OCTOBER 2022**

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### **1 Accounting policies**

#### **Company information**

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

The group consists of Pure Cold 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. The principal accounting policies adopted are set out below.

#### **1.2 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company Pure Cold 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 October 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.

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.

#### **1.3 Going concern**

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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 1.4 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.

#### 1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

#### 1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 20 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.7 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:

Plant and Machinery	20% Straight Line
Fixtures and equipment	25% Straight Line
Computer equipment	33% Straight Line
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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 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.

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.

#### 1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible 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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 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.

#### 1.10 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.

#### 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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### *Derecognition of financial liabilities*

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

#### 1.13 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.

##### *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.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 1 Accounting policies

(Continued)

#### 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.

### 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.

### 3 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Sales of refrigerated display cases	11,294,748	8,986,725
Service and maintenance	7,020,141	4,346,732
	<u>18,314,889</u>	<u>13,333,457</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>Turnover analysed by geographical market</b>		
UK	16,917,755	13,222,532
USA	1,397,134	110,925
	<u>18,314,889</u>	<u>13,333,457</u>
	<b>2022</b>	<b>2021</b>
	£	£
<b>Other revenue</b>		
Grants received	-	84,505



# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(53,014)	16,073
Research and development costs	163,853	187,560
Government grants	-	(84,505)
Depreciation of owned tangible fixed assets	81,845	45,594
Profit on disposal of tangible fixed assets	(9,708)	(13,293)
Amortisation of intangible assets	15,509	15,509
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	12,500	2,700
Audit of the financial statements of the company's subsidiaries	35,000	21,700
	<u>          </u>	<u>          </u>
	47,500	24,400
	<u>          </u>	<u>          </u>
<b>For other services</b>		
Audit-related assurance services	10,000	5,000
	<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 2022 Number	2021 Number	Company 2022 Number	2021 Number
	73	60	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	1,278,364	1,035,456	-	-
Social security costs	177,572	117,230	-	-
Pension costs	186,720	155,584	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	1,642,656	1,308,270	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 7 Interest payable and similar expenses

	2022	2021
	£	£
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	10,829	-
Other interest on financial liabilities	51,722	34,038
	<u>62,551</u>	<u>34,038</u>
<b>Other finance costs:</b>		
Other interest	13,014	103
	<u>75,565</u>	<u>34,141</u>

### 8 Taxation

	2022	2021
	£	£
<b>Current tax</b>		
UK corporation tax on profits for the current period	232,883	196,839
	<u>232,883</u>	<u>196,839</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	13,315	27,843
	<u>13,315</u>	<u>27,843</u>
Total tax charge	<u>246,198</u>	<u>224,682</u>

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	1,614,132	1,378,270
	<u>1,614,132</u>	<u>1,378,270</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	306,685	261,871
Tax effect of expenses that are not deductible in determining taxable profit	16,184	4,207
Tax effect of utilisation of tax losses not previously recognised	(16,166)	-
Unutilised tax losses carried forward	-	29,215
Change in unrecognised deferred tax assets	12,616	27,843
Permanent capital allowances in excess of depreciation	(21,794)	(39,660)
Depreciation on assets not qualifying for tax allowances	15,541	8,663
Research and development tax credit	(66,868)	(67,457)
	<u>246,198</u>	<u>224,682</u>

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 OCTOBER 2022**

### 9 Dividends

	2022	2021
	£	£
Recognised as distributions to equity holders:		
Final paid	926,842	543,092
	<u>          </u>	<u>          </u>

### 10 Intangible fixed assets

Group	Goodwill
	£
<b>Cost</b>	
At 1 November 2021 and 31 October 2022	310,175
	<u>          </u>
<b>Amortisation and impairment</b>	
At 1 November 2021	15,509
Amortisation charged for the year	15,509
	<u>          </u>
At 31 October 2022	31,018
	<u>          </u>
<b>Carrying amount</b>	
At 31 October 2022	279,157
	<u>          </u>
At 31 October 2021	294,666
	<u>          </u>

The company had no intangible fixed assets at 31 October 2022 or 31 October 2021.

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2022

11	Tangible fixed assets									
Group		Leasehold property	Plant & machinery	Fixtures & fittings	Computer equipment	Motor vehicles	Other equipment	Total		
	£	£	£	£	£	£	£	£		
<b>Cost</b>										
At 1 November 2021	2,799	92,410	30,740	78,961	333,136	29,773	567,819			
Additions	-	2,153	-	11,972	63,570	14,911	92,606			
Disposals	-	-	-	(3,641)	(51,429)	-	(55,070)			
At 31 October 2022	2,799	94,563	30,740	87,292	345,277	44,684	605,355			
<b>Depreciation and impairment</b>										
At 1 November 2021	2,799	92,307	23,069	66,309	131,012	5,066	320,562			
Depreciation charged in the year	-	417	2,073	8,728	60,500	10,127	81,845			
Eliminated in respect of disposals	-	-	-	(3,227)	(40,253)	-	(43,480)			
At 31 October 2022	2,799	92,724	25,142	71,810	151,259	15,193	358,927			
<b>Carrying amount</b>										
At 31 October 2022	-	1,839	5,598	15,482	194,018	29,491	246,428			
At 31 October 2021	-	103	7,671	12,652	202,124	24,707	247,257			

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

Company	Motor vehicle	Plant & machinery	Total
	£	£	£
<b>Cost</b>			
At 1 November 2021 and 31 October 2022	1	160	161
<b>Depreciation and impairment</b>			
At 1 November 2021 and 31 October 2022	-	-	-
<b>Carrying amount</b>			
At 31 October 2022	1	160	161
At 31 October 2021	1	160	161

### 12 Fixed asset investments

		Group 2022	2021	Company 2022	2021
	Notes	£	£	£	£
Investments in subsidiaries	13	-	-	413,418	413,418

### Movements in fixed asset investments

Company	Shares in subsidiaries £
<b>Cost or valuation</b>	
At 1 November 2021 and 31 October 2022	413,418
<b>Carrying amount</b>	
At 31 October 2022	413,418
At 31 October 2021	413,418

### 13 Subsidiaries

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

Name of undertaking	Registered office	Class of shares held	% Held Direct
Pure Cold Limited	UK	Ordinary	100.00
Pure Cold Solutions	UK	Ordinary	75.10
Pure Cold Jinan Limited	China	Ordinary	100.00
NRMS Limited	UK	Ordinary	76.00
Pure Cold Inc	USA	Ordinary	100.00

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 14 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Finished goods and goods for resale	2,604,865	1,301,041	-	-

### 15 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	3,710,415	2,764,081	-	-
Amounts owed by group undertakings	-	-	435,055	312,562
Other debtors	182,250	22,845	-	700
Prepayments and accrued income	245,729	278,789	-	-
	4,138,394	3,065,715	435,055	313,262

### 16 Creditors: amounts falling due within one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	18	100,000	100,000	-	-
Trade creditors		1,120,423	545,086	730	-
Amounts owed to group undertakings		-	-	376,484	555,766
Corporation tax payable		236,221	197,109	75,982	61,063
Other taxation and social security		865,581	623,558	-	-
Deferred income	20	146,652	18,216	-	-
Other creditors		2,384,038	899,819	-	-
Accruals and deferred income		458,741	401,178	4,000	3,500
		5,311,656	2,784,966	457,196	620,329

### 17 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	18	282,292	400,000	-	-

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 18 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	382,292	500,000	-	-
Payable within one year	100,000	100,000	-	-
Payable after one year	282,292	400,000	-	-

The Bank loans include a loan from HSBC Bank PLC. These amounts are secured by way of a fixed and floating charge over the company's assets.

### 19 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	49,964	36,649

The company has no deferred tax assets or liabilities.

	Group 2022 £	Company 2022 £
<b>Movements in the year:</b>		
Liability at 1 November 2021	36,649	-
Charge to profit or loss	13,315	-
Liability at 31 October 2022	49,964	-

### 20 Deferred income

	Group 2022 £	2021 £	Company 2022 £	2021 £
Other deferred income	146,652	18,216	-	-

# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

### 21 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	186,720	155,584

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	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary A Shares of £1 each	109,000	109,000	109,000	109,000
Ordinary B Shares of £1 each	2,000	2,000	2,000	2,000
	111,000	111,000	111,000	111,000

### 23 Operating lease commitments

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	152,456	152,456	7,960	7,960
Between two and five years	139,205	151,184	23,880	31,840
	291,661	303,640	31,840	39,800



# PURE COLD HOLDINGS LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2022

<b>25 Cash generated from group operations</b>	<b>2022</b>	<b>2021</b>
	£	£
Profit for the year after tax	1,367,934	1,153,588
<b>Adjustments for:</b>		
Taxation charged	246,198	224,682
Finance costs	75,565	34,141
Gain on disposal of tangible fixed assets	(9,708)	(13,293)
Amortisation and impairment of intangible assets	15,509	15,509
Depreciation and impairment of tangible fixed assets	81,845	45,594
<b>Movements in working capital:</b>		
(Increase)/decrease in stocks	(1,303,824)	231,526
(Increase)/decrease in debtors	(1,072,679)	45,981
Increase/(decrease) in creditors	2,359,142	(49,363)
Increase/(decrease) in deferred income	128,436	(228,285)
<b>Cash generated from operations</b>	1,888,418	1,460,080
<b>26 Cash generated from operations - company</b>	<b>2022</b>	<b>2021</b>
	£	£
Profit for the year after tax	1,303,413	544,191
<b>Adjustments for:</b>		
Taxation charged	75,982	61,063
Investment income	(979,492)	(283,870)
<b>Movements in working capital:</b>		
Increase in debtors	(121,793)	(109,630)
(Decrease)/increase in creditors	(178,052)	56,224
<b>Cash generated from operations</b>	100,058	267,978
<b>27 Analysis of changes in net funds - group</b>	<b>1 November 2021</b>	<b>Cash flows 31 October 2022</b>
	£	£
Cash at bank and in hand	1,401,623	1,787,497
Borrowings excluding overdrafts	(500,000)	(382,292)
	901,623	1,405,205

**PURE COLD HOLDINGS LIMITED**

**NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)**

***FOR THE YEAR ENDED 31 OCTOBER 2022***

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**28 Analysis of changes in net funds - company**

	<b>1 November 2021</b>	<b>Cash flows 31 October 2022</b>	
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	37,037	91,645	128,682
	<b>=====</b>	<b>=====</b>	<b>=====</b>

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.