

Thorn Distribution Limited
Company Registration Number 12406797
Annual Report and Financial Statements
Year ended 31 July 2022



Balance Sheet	1
Notes to the Financial Statements	2 to 6

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	4	33,215	39,180
Current assets			
Stocks	5	2,441	-
Debtors	6	302,730	111,292
Cash at bank and in hand		<u>20,994</u>	<u>46,199</u>
		326,165	157,491
Creditors: Amounts falling due within one year	7	<u>(309,713)</u>	<u>(148,780)</u>
Net current assets		<u>16,452</u>	<u>8,711</u>
Total assets less current liabilities		49,667	47,891
Provisions for liabilities		<u>(4,135)</u>	<u>-</u>
Net assets		<u><u>45,532</u></u>	<u><u>47,891</u></u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account		<u>45,432</u>	<u>47,791</u>
		<u><u>45,532</u></u>	<u><u>47,891</u></u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the profit and loss account has been taken.

These financial statements were approved and authorised for issue by the Board on 1 November 2022 and signed on its behalf by:



D S Marrison
Director

1 General information

Thorn Distribution Limited is a private company limited by shares and incorporated in England and Wales under company number 12406797.

The address of its registered office and principal place of business is:

Thorn House
Road 1 Corner Road 3
Winsford
Cheshire
CW7 3PZ

2 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards including Section 1A of Financial Reporting Standard 102 (2022) "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The presentation currency is £ sterling and the financial statements have been rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Group accounts not prepared

The accounts present information about the company as an individual undertaking and not about the group. The company and its fellow subsidiaries are included in the consolidated financial statements of MFS Groupco Limited. These financial statements are publicly available from Companies House.

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are considered to have been no key assumptions made concerning the future, or other key sources of estimation uncertainty in the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

Turnover

Turnover is measured at fair value of the consideration received or receivable, net of discounts and value added tax. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Pension contributions

The Company has a defined contribution pension scheme. The pension costs charged to the profit and loss account are the contributions payable in respect of the accounting period.

Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the year using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Deferred tax assets are only 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. Deferred tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives. The annual rates and methods of depreciation are as follows:-

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	25% reducing balance basis

Impairment of fixed assets

Fixed assets are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared to its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised in the profit and loss account. The reversal of an impairment loss is recognised immediately in the profit and loss account.

Stocks

Stock are stated at the lower of cost and estimated selling price less costs to complete and sell.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and an appropriate proportion of overhead expenses.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Creditors

Short term creditors are measured at transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method.

3 Employees

The average number of persons employed by the company (including directors) during the year was as follows:

	2022 No.	2021 No.
Employees	<u>18</u>	<u>13</u>

4 Tangible fixed assets

	Plant and machinery £	Total £
Cost		
At 1 August 2021	55,675	55,675
Additions	<u>4,287</u>	<u>4,287</u>
At 31 July 2022	<u>59,962</u>	<u>59,962</u>
Depreciation		
At 1 August 2021	16,495	16,495
Charge for the year	<u>10,252</u>	<u>10,252</u>
At 31 July 2022	<u>26,747</u>	<u>26,747</u>
Net book value		
At 31 July 2021	<u>39,180</u>	<u>39,180</u>
At 31 July 2022	<u>33,215</u>	<u>33,215</u>

5 Stocks

	2022 £
Other inventories	<u>2,441</u>

6 Debtors

	2022 £	2021 £
Trade debtors	161,923	95,513
Amounts owed from group undertakings	37,124	13,753
Prepayments	103,683	2,026
	<u>302,730</u>	<u>111,292</u>

7 Creditors:

Amounts falling due within one year

	2022 £	2021 £
Trade creditors	157,127	48,600
Social security and other taxes	17,677	73,628
Amounts owed to group undertakings	93,060	16,822
Other creditors	22,441	280
Accruals	19,408	9,450
	<u>309,713</u>	<u>148,780</u>

8 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Leasing commitments

Operating leases

The total of future minimum operating lease payments is as follows:

	2022 £	2021 £
Within one year	122,707	120,301
Between one and five years	186,088	309,128
After five years	-	63,749
	<u>308,795</u>	<u>493,178</u>

10 Parent company

The company's immediate parent is Mosaic Fulfillment Solutions Limited, a company incorporated in England and Wales.

The ultimate parent is MFS Groupco Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is MFS Groupco Limited.

11 Audit information

The option not to file the Audit Report has been taken. However, the following information is relevant:

- The report was unqualified; and
- There were no matters to which the auditor drew attention by way of emphasis.

The auditors were Brown Butler and the senior statutory auditor, who signed the report, was Linda Cooper.