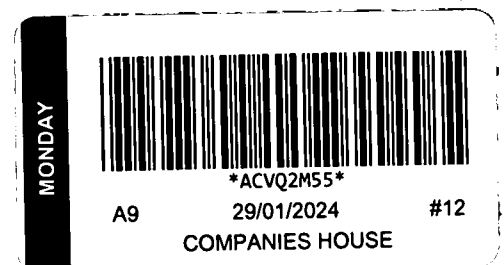


Thorn Distribution Limited
Company Registration Number 12406797
Annual Report and Financial Statements
Year ended 31 July 2023



Thorn Distribution Limited
Annual Report and Financial Statements
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	Note	2023 £	2022 £
Fixed assets			
Tangible fixed assets	5	228,622	33,215
Current assets			
Stocks	6	2,000	2,441
Debtors	7	189,181	302,730
Cash at bank and in hand		<u>37,799</u>	<u>20,994</u>
		228,980	326,165
Creditors: Amounts falling due within one year	8	<u>(357,378)</u>	<u>(309,713)</u>
Net current (liabilities)/assets		<u>(128,398)</u>	<u>16,452</u>
Total assets less current liabilities		100,224	49,667
Creditors: Amounts falling due after more than one year	8	(39,387)	-
Provisions for liabilities		<u>-</u>	<u>(4,135)</u>
Net assets		<u>60,837</u>	<u>45,532</u>
Capital and reserves			
Called up share capital	9	100	100
Profit and loss account		<u>60,737</u>	<u>45,432</u>
		<u>60,837</u>	<u>45,532</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 30 October 2023 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 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 Exceptional items

A change of management approach was undertaken and as a result exceptional costs of £138,461 have been incurred which included costs of severance and garden leave pay.

4 Employees

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

	2023 No.	2022 No.
Employees	<u>17</u>	<u>18</u>

5 Tangible fixed assets

	Plant and machinery £	Total £
Cost		
At 1 August 2022	59,962	59,962
Additions	<u>267,636</u>	<u>267,636</u>
At 31 July 2023	<u>327,598</u>	<u>327,598</u>
Depreciation		
At 1 August 2022	26,747	26,747
Charge for the year	<u>72,229</u>	<u>72,229</u>
At 31 July 2023	<u>98,976</u>	<u>98,976</u>
Net book value		
At 31 July 2022	<u>33,215</u>	<u>33,215</u>
At 31 July 2023	<u>228,622</u>	<u>228,622</u>

6 Stocks

	2023 £	2022 £
Other inventories	<u>2,000</u>	<u>2,441</u>

7 Debtors

	2023 £	2022 £
Trade debtors	106,142	161,923
Amounts owed from group undertakings	19,565	37,124
Deferred tax asset	10,824	-
Prepayments	<u>52,650</u>	<u>103,683</u>
	<u>189,181</u>	<u>302,730</u>

8 Creditors:

Amounts falling due within one year

	2023 £	2022 £
Finance lease liabilities	29,710	-
Trade creditors	108,495	157,127
Social security and other taxes	34,945	17,677
Amounts owed to group undertakings	159,952	93,060
Other creditors	120	22,441
Accruals	<u>24,156</u>	<u>19,408</u>
	<u>357,378</u>	<u>309,713</u>
Amounts falling due after more than one year		
Finance lease liabilities	<u>39,387</u>	<u>-</u>

9 Share capital

Allotted, called up and fully paid shares

	No.	2023 £	No.	2022 £
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

10 Leasing commitments

Operating leases

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

	2023 £	2022 £
Within one year	125,161	122,707
Between one and five years	<u>321,270</u>	<u>382,682</u>
	<u>446,431</u>	<u>505,389</u>

11 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.

12 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.