

Company Registration No. SC170092 (Scotland)

**DBM FOOD HYGIENE SUPPLIES LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# **DBM FOOD HYGIENE SUPPLIES LIMITED**

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# DBM FOOD HYGIENE SUPPLIES LIMITED

## BALANCE SHEET

AS AT 31 MARCH 2021

|   | Notes | 2021<br>£        | £              | 2020<br>£        | £              |
|---|-------|------------------|----------------|------------------|----------------|
| <b>Fixed assets</b>                                   |       |                  |                |                  |                |
| Tangible assets                                       | 3     |                  | 1,987          |                  | 2,811          |
| <b>Current assets</b>                                 |       |                  |                |                  |                |
| Stocks  |       | 114,939          |                | 100,223          |                |
| Debtors   | 4     | 1,102,480        |                | 748,068          |                |
| Cash at bank and in hand                              |       | 14,885           |                | 43,940           |                |
|   |       | <u>1,232,304</u> |                | <u>892,231</u>   |                |
| <b>Creditors: amounts falling due within one year</b> | 5     | <u>(400,486)</u> |                | <u>(441,110)</u> |                |
| <b>Net current assets</b>                             |       |                  | 831,818        |                  | 451,121        |
| <b>Net assets</b>                                     |       |                  | <u>833,805</u> |                  | <u>453,932</u> |
| <b>Capital and reserves</b>                           |       |                  |                |                  |                |
| Called up share capital                               | 6     |                  | 18,097         |                  | 18,097         |
| Capital redemption reserve                            |       |                  | 44,333         |                  | 44,333         |
| Profit and loss reserves                              |       |                  | 771,375        |                  | 391,502        |
| <b>Total equity</b>                                   |       |                  | <u>833,805</u> |                  | <u>453,932</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered 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 22 December 2021 and are signed on its behalf by:

Benjamin Molyneux  
**Director**

**Company Registration No. SC170092**

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

#### Company information

DBM Food Hygiene Supplies Limited is a private company limited by shares incorporated in Scotland. The registered office is DBM House, Clifton View, East Mains Industrial Estate, Broxburn, West Lothian, United Kingdom, EH52 5NE.

#### 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 Going concern

The company has reported a profit for the year and the directors expect this to continue in the future.

The directors are aware of the COVID-19 pandemic and they consider that the company's operations have not been significantly adversely impacted to date.

At the date of signing these financial statements the company has net current assets and is continuing to trade. The directors are actively managing the business on a day to day basis taking account of all changes in market conditions.

The directors consider that the current financial position of the company will ensure that the company will continue in operational existence for the foreseeable future and they therefore continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

Turnover represents sales of hygiene solutions for the food and beverage industry and 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.

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.

#### 1.4 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            | 15% straight line |
| Fixtures, fittings & equipment | 33% straight line |

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

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 credited or charged to profit or loss.

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company 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).

#### 1.6 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.

#### 1.7 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.

#### 1.8 Financial instruments

The company 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.

##### **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.

##### **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.

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### ***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 company 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 company 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.

#### ***Derecognition of financial liabilities***

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

### 1.9 Equity instruments

Equity instruments issued by the company 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 company.

### 1.10 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 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 when the company has 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.

#### **1.11 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.

#### **1.12 Retirement benefits**

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

#### **1.13 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 leases asset are consumed.

#### **1.14 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.

### 2 Employees

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

|       | 2021<br>Number | 2020<br>Number |
|-------|----------------|----------------|
| Total | 12             | 11             |

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 3 Tangible fixed assets

|                                    | Plant and machinery etc |
|------------------------------------|-------------------------|
|                                    | £                       |
| <b>Cost</b>                        |                         |
| At 1 April 2020                    | 161,480                 |
| Additions                          | 936                     |
|                                    | <hr/>                   |
| At 31 March 2021                   | 162,416                 |
|                                    | <hr/>                   |
| <b>Depreciation and impairment</b> |                         |
| At 1 April 2020                    | 158,669                 |
| Depreciation charged in the year   | 1,760                   |
|                                    | <hr/>                   |
| At 31 March 2021                   | 160,429                 |
|                                    | <hr/>                   |
| <b>Carrying amount</b>             |                         |
| At 31 March 2021                   | 1,987                   |
|                                    | <hr/>                   |
| At 31 March 2020                   | 2,811                   |
|                                    | <hr/>                   |

### 4 Debtors

|   | 2021      | 2020    |
|---|-----------|---------|
|   | £         | £       |
| <b>Amounts falling due within one year:</b> |           |         |
| Trade debtors                               | 171,291   | 205,080 |
| Amounts owed by group undertakings          | 918,485   | 286,499 |
| Other debtors                               | 12,704    | 256,489 |
|   | <hr/>     | <hr/>   |
|   | 1,102,480 | 748,068 |
|   | <hr/>     | <hr/>   |

Trade debtors include £171,291 (2020 : £205,080) of debtors secured under invoice discounting which are outstanding at the balance sheet date.



# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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

|                                    | 2021<br>£      | 2020<br>£      |
|------------------------------------|----------------|----------------|
| Bank loans and overdrafts          | 24,700         | 102,286        |
| Trade creditors                    | 154,053        | 210,045        |
| Corporation tax                    | 185,160        | 95,004         |
| Other taxation and social security | 20,029         | 12,024         |
| Other creditors                    | 16,544         | 21,751         |
|                                    | <u>400,486</u> | <u>441,110</u> |

Included in the above bank loans and overdrafts figure is an invoice financing facility of £24,700 (2020 - £102,286) from the Royal Bank of Scotland, the balance is secured over the debts to which the facility relates and by a bond and floating charge over the assets of the company.

### 6 Called up share capital

|                               | 2021<br>Number | 2020<br>Number | 2021<br>£     | 2020<br>£     |
|-------------------------------|----------------|----------------|---------------|---------------|
| <b>Ordinary share capital</b> |                |                |               |               |
| <b>Issued and fully paid</b>  |                |                |               |               |
| Ordinary shares of £1 each    | <u>18,097</u>  | <u>18,097</u>  | <u>18,097</u> | <u>18,097</u> |

# DBM FOOD HYGIENE SUPPLIES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

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#### 7 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:

##### Qualified opinion on financial statements

We have audited the financial statements of DBM Food Hygiene Supplies Limited (the 'company') for the year ended 31 March 2020 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its 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 qualified opinion

Due to the impact of the COVID-19 pandemic a prior year end stocktake was not undertaken and due to restrictions in place at the prior year end we were not in a position to attend and conduct test counts of physical stock. We were unable to satisfy ourselves by alternative means concerning the stock quantities held which were stated on the prior year balance sheet at £100,223 at the prior year end balance sheet date and as opening stock in the current year's profit.

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 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.

The senior statutory auditor was Paul Hutchison BSc ACA.  
The auditor was Azets Audit Services.

#### 8 Operating lease commitments

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

| 2021              | 2020              |
|-------------------|-------------------|
| £                 | £                 |
| -                 | 6,377             |
| <u>          </u> | <u>          </u> |

## **DBM FOOD HYGIENE SUPPLIES LIMITED**

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

***FOR THE YEAR ENDED 31 MARCH 2021***

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**9 Parent company**

The parent company of the smallest group of undertakings for which group accounts are drawn up of which the company is a member is DBM Holdings Limited. DBM Holdings Limited is registered at DBM House, Clifton View, East Mains Industrial Estate, Broxburn, West Lothian, EH52 5NE.

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.