

**Strategic Report, Report of the Directors and**  
**Financial Statements for the Year Ended 31 December 2022**  
**for**  
**EFG Housewares Limited**

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for the Year Ended 31 December 2022**

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**EFG Housewares Limited**  
**Company Information**  
**for the Year Ended 31 December 2022**

**DIRECTORS:**

A B Shipton  
T R Shipton  
D Shipton  
M W Shipton

**SECRETARY:**

A B Shipton

**REGISTERED OFFICE:**

55 High Street  
Hoddesdon  
Hertfordshire  
EN11 8TQ

**REGISTERED NUMBER:**

03530578 (England and Wales)

**AUDITORS:**

Haslers  
Chartered accountants and statutory auditor  
Old Station Road  
Loughton  
Essex  
IG10 4PL

**Strategic Report**  
**for the Year Ended 31 December 2022**

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

**REVIEW OF BUSINESS**

The directors are satisfied with the company's performance as set out in the attached financial statements and the company continues to grow in line with our expectations with turnover growth in the last year.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company's main risks are those relating to pressure on prices and increased competition. The company continues to monitor this and find ways of minimising these risks.

**FINANCIAL KEY PERFORMANCE INDICATORS**

Company turnover reduced during the year, showing turnover of £37.6m (2021 - £41.3m). The gross profit for the year of £5.63m (2021 - £6.34m). This represents a margin of 14.9% (2021 - 15.3%).

**ON BEHALF OF THE BOARD:**

D Shipton - Director

28 September 2023

**Report of the Directors**  
**for the Year Ended 31 December 2022**

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of Cash and Carry Wholesalers.

**DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2022.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

A B Shipton  
T R Shipton  
D Shipton  
M W Shipton

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On the 4th December 2022, the company's stock system was updated and existing stock holding information on that date was manually transferred to a new stock holding system. Subsequent to this, the directors noted that the year-end stock figure was considerably higher than anticipated.

After further investigation it was identified that errors existed in the recording of certain stock lines where on the old system, multiple items were recorded as a batch and on the new system they were recorded as individual items.

The auditors also identified the inconsistency as part of their year-end stock testing.

Over the period since the year end, a live, stock quantity rectification process has been on-going and the directors are now confident that the stock holding records have been, on the whole, rectified.

A full stock take will be carried out at on 31 December 2023 to ensure that any final corrections are made.

In the meantime, the directors are aware that as the auditors could not satisfy themselves regarding the stock holding quantities held at the year-end they have had to qualify the audit report.

**Report of the Directors**  
**for the Year Ended 31 December 2022**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Haslers, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

D Shipton - Director

28 September 2023

**Report of the Independent Auditors to the Members of**  
**EFG Housewares Limited**

**Opinion**

We have audited the financial statements of EFG Housewares Limited (the 'Company') for the year ended 31 December 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

Except for the stock value of £4,304,782,

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 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**

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Whilst completing audit procedures of the physical inventories held at the year end, we identified that there had been a malfunction in the transfer of data to the new stock system. We have been unable to satisfy ourselves by alternative means concerning the inventory quantities held at 31st December 2022. Consequently, we are unable to determine whether any adjustment to this amount is required.

**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 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 Auditors' 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.

**Opinions on other matters prescribed by the Companies Act 2006**

As described in the basis for qualified opinion section of our report, we are unable to satisfy ourselves concerning the inventory quantities held at 31st December 2022. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales, it may be materially misstated for the same reason.

**Report of the Independent Auditors to the Members of**  
**EFG Housewares Limited**

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, arising solely from the limitation of scope of our work relating to inventory, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

**Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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 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 company or to cease operations, or have no realistic alternative but to do so.



**Report of the Independent Auditors to the Members of**  
**EFG Housewares Limited**

**Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those that:

- Had a direct effect on the determination of material amounts and disclosures in the financial statements. These include the UK Companies Act and tax legislation etc; and
- Do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit engagement team include:

- Identifying and testing journal entries, in particular any unusual journal entries posted around the year end and journal entries with no descriptions
- Assessing the extent of compliance with the relevant laws and regulations
- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud.
- Challenging assumptions and judgements made by management in significant accounting estimates; and
- Carrying out a review of large and unusual bank transactions

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or noncompliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of noncompliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of**  
**EFG Housewares Limited**

**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 a Report of the Auditors 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.

Charalambos Patsalides (Senior Statutory Auditor)  
for and on behalf of Haslers  
Chartered accountants and statutory auditor  
Old Station Road  
Loughton  
Essex  
IG10 4PL

28 September 2023

**Income Statement**  
**for the Year Ended 31 December 2022**

	Notes	31.12.22 £	31.12.21 £
<b>TURNOVER</b>	3	37,668,696	41,316,393
Cost of sales		32,035,201	34,975,662
<b>GROSS PROFIT</b>		<u>5,633,495</u>	<u>6,340,731</u>
Administrative expenses		<u>5,462,380</u>	<u>5,647,855</u>
		171,115	692,876
Other operating income		-	29,607
<b>OPERATING PROFIT</b>	6	<u>171,115</u>	<u>722,483</u>
Interest payable and similar expenses	7	<u>31,031</u>	<u>31,347</u>
<b>PROFIT BEFORE TAXATION</b>		<u>140,084</u>	<u>691,136</u>
Tax on profit	8	<u>35,644</u>	<u>83,420</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>104,440</u></u>	<u><u>607,716</u></u>

The notes form part of these financial statements

**Other Comprehensive Income**  
**for the Year Ended 31 December 2022**

	31.12.22	31.12.21
Notes	£	£
<b>PROFIT FOR THE YEAR</b>	104,440	607,716
<b>OTHER COMPREHENSIVE INCOME</b>	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	-	-
<b>FOR THE YEAR</b>	<u>104,440</u>	<u>607,716</u>

**EFG Housewares Limited (Registered number: 03530578)**

**Balance Sheet**  
**31 December 2022**

	Notes	31.12.22 £	£	31.12.21 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		162,692		214,438
Investments	10		<u>372,597</u>		<u>372,597</u>
			535,289		587,035
<b>CURRENT ASSETS</b>					
Stocks	11	4,304,782		4,356,902	
Debtors	12	4,937,963		5,474,534	
Cash at bank and in hand		<u>1,297,445</u>		<u>588,204</u>	
		10,540,190		10,419,640	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>3,521,058</u>		<u>3,344,259</u>	
<b>NET CURRENT ASSETS</b>			<u>7,019,132</u>		<u>7,075,381</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			7,554,421		7,662,416
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		<u>26,726</u>		<u>239,161</u>
<b>NET ASSETS</b>			<u>7,527,695</u>		<u>7,423,255</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		1,200		1,200
Retained earnings	20		<u>7,526,495</u>		<u>7,422,055</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>7,527,695</u>		<u>7,423,255</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

D Shipton - Director

M W Shipton - Director

The notes form part of these financial statements

**Statement of Changes in Equity**  
**for the Year Ended 31 December 2022**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 January 2021</b>	1,200	6,814,339	6,815,539
Total comprehensive income	-	607,716	607,716
Total transactions with owners, recognised directly in equity	-	-	-
<b>Balance at 31 December 2021</b>	1,200	7,422,055	7,423,255
Total comprehensive income	-	104,440	104,440
Total transactions with owners, recognised directly in equity	-	-	-
<b>Balance at 31 December 2022</b>	1,200	7,526,495	7,527,695

**Cash Flow Statement**  
**for the Year Ended 31 December 2022**

	Notes	31.12.22 £	31.12.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	851,081	422,196
Interest paid		(26,350)	(26,350)
Interest element of hire purchase payments paid		(4,681)	(4,997)
Tax paid		(83,420)	(285,934)
Net cash from operating activities		<u>736,630</u>	<u>104,915</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(53,062)
Net cash from investing activities		<u>-</u>	<u>(53,062)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(27,389)	(28,631)
Net cash from financing activities		<u>(27,389)</u>	<u>(28,631)</u>
<b>Increase in cash and cash equivalents</b>		<u>709,241</u>	<u>23,222</u>
<b>Cash and cash equivalents at beginning of year</b>	2	588,204	564,982
<b>Cash and cash equivalents at end of year</b>	2	<u>1,297,445</u>	<u>588,204</u>

The notes form part of these financial statements

**Notes to the Cash Flow Statement**  
**for the Year Ended 31 December 2022**

**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	31.12.22	31.12.21
	£	£
Profit before taxation	140,084	691,136
Depreciation charges	51,746	58,003
Loss on disposal of fixed assets	-	1,334
Finance costs	<u>31,031</u>	<u>31,347</u>
	222,861	781,820
Decrease/(increase) in stocks	52,120	(44,033)
Decrease in trade and other debtors	536,572	1,336,421
Increase/(decrease) in trade and other creditors	<u>39,528</u>	<u>(1,652,012)</u>
<b>Cash generated from operations</b>	<u><u>851,081</u></u>	<u><u>422,196</u></u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 31 December 2022**

	31.12.22	1.1.22
	£	£
Cash and cash equivalents	<u>1,297,445</u>	<u>588,204</u>

**Year ended 31 December 2021**

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>588,204</u>	<u>564,982</u>

**3. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.1.22	Cash flow	At 31.12.22
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	<u>588,204</u>	<u>709,241</u>	<u>1,297,445</u>
	<u>588,204</u>	<u>709,241</u>	<u>1,297,445</u>
<b>Debt</b>			
Finance leases	(79,453)	27,389	(52,064)
Debts falling due after 1 year	<u>(1,097)</u>	<u>-</u>	<u>(1,097)</u>
	<u>(80,550)</u>	<u>27,389</u>	<u>(53,161)</u>
<b>Total</b>	<u><u>507,654</u></u>	<u><u>736,630</u></u>	<u><u>1,244,284</u></u>



**Notes to the Financial Statements**  
**for the Year Ended 31 December 2022**

**1. STATUTORY INFORMATION**

EFG Housewares Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**General information and basis of preparation**

EFG Housewares Limited is a private company limited by shares incorporated in United Kingdom. The address of the registered office is given in the company information on page one of these financial statements. The principal place of business is 29 Mollison Avenue, Enfield, Middlesex, EN3 7NJ. The nature of the company's operations and principle activities are that of Cash and Carry Wholesalers.

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Income is recognised on delivery of goods. Foreign sales are recognised on dispatch of goods.

**Financial Instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year) including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payable or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

**Judgements and key sources of estimation uncertainty**

In applying the Company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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, if the revision effects only that period, or in the period of the revision and future periods, if the revision effects both current and future periods.

The directors do not believe that there have been judgements (apart from those involving estimates) made in the process of applying the above accounting policies that have had a significant effect on amounts recognised in the financial statements.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**2. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 10% on straight line
Warehouse Equipment	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

**Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**Stocks**

Stocks are valued at the lower of cost and net realisable value (FIFO), after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**3. TURNOVER**

In the period to 31 December 2022, 47% of the company's turnover was derived from markets outside the United Kingdom (December 2021 - 48%).

**4. EMPLOYEES AND DIRECTORS**

	31.12.22	31.12.21
	£	£
Wages and salaries	2,777,821	2,543,577
Social security costs	277,022	234,706
Other pension costs	48,308	44,615
	<u>3,103,151</u>	<u>2,822,898</u>

The average number of employees during the year was as follows:

	31.12.22	31.12.21
Office and administration	4	4
Warehouse and sales	<u>102</u>	<u>95</u>
	<u>106</u>	<u>99</u>

**5. DIRECTORS' EMOLUMENTS**

	31.12.22	31.12.21
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

**6. OPERATING PROFIT**

The operating profit is stated after charging:

	31.12.22	31.12.21
	£	£
Depreciation - owned assets	33,682	32,463
Depreciation - assets on hire purchase contracts	18,064	25,541
Loss on disposal of fixed assets	-	1,334
Auditors' remuneration	8,800	8,200
Management Charges	<u>825,000</u>	<u>1,225,000</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.12.22	31.12.21
	£	£
Tax interest and penalties	26,350	26,350
Hire purchase	<u>4,681</u>	<u>4,997</u>
	<u>31,031</u>	<u>31,347</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**8. TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.12.22 £	31.12.21 £
Current tax:		
UK corporation tax	35,644	83,420
Tax on profit	<u>35,644</u>	<u>83,420</u>

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.12.22 £	31.12.21 £
Profit before tax	<u>140,084</u>	<u>691,136</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	26,616	131,316
Effects of:		
Capital allowances in excess of depreciation	-	(3,065)
Depreciation in excess of capital allowances	9,028	-
Research & Development enhanced deduction	-	(44,831)
Total tax charge	<u>35,644</u>	<u>83,420</u>

Factors affecting future tax charges

During March 2021, the UK Chancellor of the Exchequer announced an expected change to UK corporation tax rates from 19% to 25%. This was enacted into the Finance Act in June 2021. The rate will increase to 25% from 1 April 2023 and will impact on the corporation tax provision for the company from that date.

**9. TANGIBLE FIXED ASSETS**

	Improvements to property £	Warehouse Equipment £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 1 January 2022 and 31 December 2022	<u>74,591</u>	<u>582,306</u>	<u>603,585</u>	<u>39,282</u>	<u>1,299,764</u>
<b>DEPRECIATION</b>					
At 1 January 2022	37,295	446,440	579,391	22,200	1,085,326
Charge for year	<u>7,459</u>	<u>33,967</u>	<u>6,049</u>	<u>4,271</u>	<u>51,746</u>
At 31 December 2022	<u>44,754</u>	<u>480,407</u>	<u>585,440</u>	<u>26,471</u>	<u>1,137,072</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>29,837</u>	<u>101,899</u>	<u>18,145</u>	<u>12,811</u>	<u>162,692</u>
At 31 December 2021	<u>37,296</u>	<u>135,866</u>	<u>24,194</u>	<u>17,082</u>	<u>214,438</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**9. TANGIBLE FIXED ASSETS - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Warehouse Equipment £
<b>COST</b>	
At 1 January 2022	154,130
Transfer to ownership	<u>(17,000)</u>
At 31 December 2022	<u>137,130</u>
<b>DEPRECIATION</b>	
At 1 January 2022	77,508
Charge for year	18,064
Transfer to ownership	<u>(12,634)</u>
At 31 December 2022	<u>82,938</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>54,192</u>
At 31 December 2021	<u>76,622</u>

**10. FIXED ASSET INVESTMENTS**

	Unlisted investments £
<b>COST</b>	
At 1 January 2022 and 31 December 2022	<u>372,597</u>
<b>NET BOOK VALUE</b>	
At 31 December 2022	<u>372,597</u>
At 31 December 2021	<u>372,597</u>

**Unlisted Investments**

The unlisted investment net book value is being reduced by the impairment.

**11. STOCKS**

	31.12.22 £	31.12.21 £
Stocks	<u>4,304,782</u>	<u>4,356,902</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22	31.12.21
	£	£
Trade debtors	3,287,382	4,038,124
Amounts owed by group undertakings	1,494,419	1,306,493
Amounts owed by participating interests	70,000	70,000
Sundry Debtors and Prepayments	7,465	7,073
VAT	78,697	52,844
	<u>4,937,963</u>	<u>5,474,534</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.12.22	31.12.21
	£	£
Hire purchase contracts (see note 16)	26,435	27,389
Trade creditors	3,304,769	2,969,795
Tax	35,644	83,420
Social security and other taxes	121,577	231,688
Creditors and Accruals	32,633	31,967
	<u>3,521,058</u>	<u>3,344,259</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.22	31.12.21
	£	£
Other loans (see note 15)	1,097	1,097
Hire purchase contracts (see note 16)	25,629	52,064
Social security and other taxes	-	186,000
	<u>26,726</u>	<u>239,161</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due between one and two years:		
Film Investment Loan	<u>1,097</u>	<u>1,097</u>

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**16. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	31.12.22 £	31.12.21 £
Gross obligations repayable:		
Within one year	30,903	31,955
Between one and five years	<u>30,059</u>	<u>60,962</u>
	<u>60,962</u>	<u>92,917</u>
Finance charges repayable:		
Within one year	4,468	4,566
Between one and five years	<u>4,430</u>	<u>8,898</u>
	<u>8,898</u>	<u>13,464</u>
Net obligations repayable:		
Within one year	26,435	27,389
Between one and five years	<u>25,629</u>	<u>52,064</u>
	<u>52,064</u>	<u>79,453</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22 £	31.12.21 £
Film Investment Loan	1,097	1,097
Hire purchase agreements	<u>52,064</u>	<u>79,453</u>
	<u>53,161</u>	<u>80,550</u>

The company has provided a cross guarantee to the parent company's bank in respect of the parent company's bank overdraft and loans. The amount of exposure at the year-end under this cross guarantee was £2.097m.

**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**18. FINANCIAL INSTRUMENTS**

	£	£	31.12.22	31.12.21
<b>Financial assets</b>				
Financial assets that are debt instruments measured at amortised cost			<u>5,055,690</u>	<u>5,474,534</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost			<u>3,512,141</u>	<u>3,500,000</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings and other debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, loans, trade creditors, amounts owed to group undertakings, finance leases and other creditors.

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	31.12.22	31.12.21
Number:	Class:		£	£
1,000	'A' Ordinary	£1	1,000	1,000
200	'B' Ordinary non-voting non-equity	£1	<u>200</u>	<u>200</u>
			<u>1,200</u>	<u>1,200</u>

**20. RESERVES**

	Retained earnings £
At 1 January 2022	7,422,055
Profit for the year	<u>104,440</u>
At 31 December 2022	<u>7,526,495</u>

**21. PENSION COMMITMENTS**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £48,308 (2021 £44,615). Contributions totalling £8,816 (2021 £8,152) were payable to fund at the balance sheet date and are included in creditors.

**22. ULTIMATE PARENT COMPANY**

Enfield Fancy Goods Limited registered in England.



**Notes to the Financial Statements - continued**  
**for the Year Ended 31 December 2022**

**23. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemptions in Financial Reporting Standard 8 from the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared by the parent company, Enfield Fancy Goods Limited and are publicly available.

**24. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is the Shipton family by virtue of the fact that they and family trusts in which they have beneficial interests own the majority of the issued share capital in the parent company.

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.