

COMPANY REGISTRATION NUMBER: 6178606

The Pudding Compartment Limited
Filleted Unaudited Financial Statements
31 March 2023

The Pudding Compartment Limited

Statement of Financial Position

31 March 2023

		2023		2022	
	Note	£	£	£	£
Fixed Assets					
Tangible assets	5		389,052		396,242
Current Assets					
Stocks		105,888		110,410	
Debtors	6	99,751		160,267	
Cash at bank and in hand		425		3,708	
		206,064		274,385	
Creditors: amounts falling due within one year	7	342,123		251,657	
Net Current (Liabilities)/Assets			(136,059)		22,728
Total Assets Less Current Liabilities			252,993		418,970
Creditors: amounts falling due after more than one year	8		297,540		322,150
Government Grants					
Other provisions	10		68,638		55,663
Net (Liabilities)/Assets			(113,185)		41,157

The Pudding Compartment Limited

Statement of Financial Position *(continued)*

31 March 2023

	Note	2023 £	£	2022 £	£
Capital and Reserves					
Called up share capital			1,000		1,000
Share premium account			67,101		67,101
Profit and loss account			(181,286)		(26,944)
			-----		-----
Shareholders (Deficit)/Funds			(113,185)		41,157
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These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of income and retained earnings has not been delivered.

For the year ending 31 March 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476 ;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements .

These financial statements were approved by the board of directors and authorised for issue on 31 January 2024 , and are signed on behalf of the board by:

Mr S J West

Director

Company registration number: 6178606

The Pudding Compartment Limited

Notes to the Financial Statements

Year ended 31 March 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 1st Floor Pembroke House, Ellice Way, Wrexham Technology Park, Wrexham, LL13 7YT.

2. Statement of compliance

These financial statements have been prepared in compliance with Section 1A of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of Preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Going Concern

The directors have forecast the likely movements in cash flows over a period of 12 months from the date of approval of these accounts. The most significant assumptions made in the preparation of the forecast are that sales to existing customers will return to pre-covid levels in the next 12 months, an acquisition of new customers will assist in increasing the current turnover, the continued financial support of the directors and shareholders and the successful conclusion of negotiations with external funders. Based on the forecast the directors consider that the company should be able to meet its financial obligations as they fall due, and as a result, they have adopted the going concern basis of accounting.

Revenue Recognition

Turnover is measured at the value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Income Tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date. Corporation tax credits arising as a result of research and development expenditure claims are treated as a reduction of the corporation tax charge for the year in question or as a negative tax charge in the event of no liability arising in that year. Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Tangible Assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Long Leasehold Improvements	-	33% straight line
Office Equipment	-	20% reducing balance
Fixtures & Fittings	-	20% reducing balance
Motor Vehicles	-	20% reducing balance

Equipment

- 25% reducing balance

Impairment of Fixed Assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition. The cost of stock issued is recognised as an expense in the Statement of Income and Retained Earnings on a first in first out basis.

Finance Leases and Hire Purchase Contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset. Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government Grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received. Government grants are recognised using the accrual model and the performance model. Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transactional value and subsequently measured at their settlement value. Fixed assets, stock, prepayments and deferred income do not constitute basic financial instruments.

Defined Contribution Plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 23 (2022: 25).

5. Tangible assets

	Leasehold improvements	Plant and machinery	Fixtures and fittings	Motor vehicles	Equipment	Total
	£	£	£	£	£	£
Cost						
At 1 Apr 2022	61,710	20,827	6,589	175,188	456,267	720,581
Additions	6,487	—	320	—	96,928	103,735
At 31 Mar 2023	68,197	20,827	6,909	175,188	553,195	824,316
Depreciation						
At 1 Apr 2022	30,593	11,658	3,756	48,017	230,315	324,339
Charge for the year	11,302	1,834	588	25,434	71,767	110,925
At 31 Mar 2023	41,895	13,492	4,344	73,451	302,082	435,264
Carrying amount						
At 31 Mar 2023	26,302	7,335	2,565	101,737	251,113	389,052
At 31 Mar 2022	31,117	9,169	2,833	127,171	225,952	396,242

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles
	£
At 31 March 2023	189,600
At 31 March 2022	116,228

6. Debtors

	2023	2022
	£	£
Trade debtors	62,405	104,278
Other debtors	37,346	55,989
	99,751	160,267

7. Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans and overdrafts	146,004	156,924
Trade creditors	42,998	39,794
Accruals and deferred income	8,642	5,270
Social security and other taxes	6,489	6,991
Obligations under finance leases and hire purchase contracts	42,686	21,486
Director loan accounts	60,341	9,769
Other creditors	34,963	11,423
	342,123	251,657

Bank loans and overdrafts amounting to £23,882 (2022 - £36,673) are represented by an invoice discounting facility balance which is secured on the trade debtors of the company.

Included in other creditors above is a loan of £30,000 (2022 - £10,000) from Mr R Redden, a shareholder of the

company. The loan is unsecured, interest free and repayable on demand.

8. Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	155,535	230,250
Obligations under finance leases and hire purchase contracts	142,005	91,900
	-----	-----
	297,540	322,150
	-----	-----

Bank loans and overdrafts falling due after more than 1 year are unsecured.

9. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2023	2022
	£	£
Not later than 1 year	42,686	21,486
Later than 1 year and not later than 5 years	142,005	91,900
	-----	-----
	184,691	113,386
	-----	-----

10. Government grants

	Capital grants
	£
At 1 April 2022	55,663
Grants received/receivable	30,135
Released to the income statement	(17,160)

At 31 March 2023	68,638

Income relating to capital grants received to assist with the purchase of fixed assets is being recognised over the useful life of the relevant assets.

11. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2023	2022
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	63,955	122,233
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Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	700,644	622,479
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12. Contingencies

At the year end the company had a contingent liability in respect of exceptional Welsh Government funding received amounting to £151,500 (2022 - £151,500) in support of additional Covid-19 related costs and of £90,896 (2022 - £Nil) in respect of capital grants received to assist with the purchase of assets. In common with many forms of government funding the Welsh Government reserves the right to clawback any funding to the extent that it considers the application of the grant does not meet the grant conditions or in the event that grant funded assets are disposed of.

13. Related party transactions

Mr S West is the managing director and majority shareholder of Manorspace Ltd. During the year The Pudding Compartment Ltd made payments totalling £18,250 (2022 - £27,500) to Manorspace Ltd in respect of rent for a property. The balance owing at the year end to Manorspace Ltd was £Nil (2021 - £Nil). Mr S West is the managing director and majority shareholder of A Million Thanks Ltd. There were no transactions between The Pudding Compartment Ltd and A Million Thank Ltd. The balance owing at the year end to A Million Thanks Ltd was £1,124 (2021 - £824). Mr S West is a director of The Caerleon Village Bakery Limited. During the year The Pudding Compartment Ltd made sales totalling £Nil (2021 - £3,764) to The Caerleon Village Bakery Limited. The balance owing at the year end from The Caerleon Village Bakery Limited was £Nil (2021 - £Nil).

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