
F. Duerr & Sons Limited

Annual Report and Financial Statements

For the Year Ended 31 March 2022

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F. Duerr & Sons Limited

Company Information

Directors	M A F Duerr - Managing Director R N A Duerr - Sales & Marketing Director D K Weatherhead A.C.M.A - Finance Director
Company secretary	D K Weatherhead
Registered number	00198509
Registered office	Dallimore House Dallimore Road Roundthorn Industrial Estate Wythenshawe Manchester M23 9NX
Independent auditors	Hurst Accountants Limited Chartered Accountants & Statutory Auditors Lancashire Gate 21 Tiviot Dale Stockport SK1 1TD
Bankers	National Westminster Bank plc Spring Gardens Manchester M60 2DB
Solicitors	Hillyer McKeown George Street Chester CH1 3EQ

F. Duerr & Sons Limited

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F. Duerr & Sons Limited

**Strategic Report
For the Year Ended 31 March 2022**

Principal activities

The Company is engaged in the manufacture and distribution of jams, marmalades, peanut butter, mincemeat, condiments, prepared fruit and honey.

Business review

This financial year saw a continuation of the external challenges that arose in the previous year. The COVID-19 pandemic remained apparent throughout this period and, combined with the UK's departure from the EU, influenced the business's sales and operational performance. As the year progressed, the business started to feel the impact of cost inflation and the war in Ukraine started to compound this at the end of the period. Consequently, the financial results were disappointing and failed to achieve the set targets.

Much of the sales growth in the prior year, resulting from COVID-19 related lockdowns, was reversed, and sales were dampened further by difficulties in retaining EU export business. The other key outcome of the COVID-19 and Brexit events became the difficulty in recruitment and hence in the latter half of the financial year the business operated with staff shortages across various disciplines. This inevitably influenced the production output capability of the business, exacerbating the reduction in turnover. There is evidence of this in many businesses and particularly those in the food-manufacturing sector.

Trading conditions remain difficult and uncertain into the new financial year so the Board therefore forecast a similar result. Focus will remain on sales growth and managing inflationary pressure through a combination of controlling the cost base and passing increases through to customers where appropriate.

	2022	2021
	£	£
Turnover	72,435,351	83,597,086
Pre-tax (loss)/profit before commission and interest	(1,074,365)	689,147
Net interest	(69,944)	(107,013)
(Loss) / Profit used for the calculation of dividends	(1,144,309)	582,134
Directors' commissions	-	(69,000)
(Loss) / Profit before tax	(1,144,309)	513,134

Dividends	Per share	2022	Per share	2021
		£		£
Interim payments (monthly February to July)	6x35p = 210p	63,000	6x35p = 210p	63,000
Final proposed (monthly August to January)	-	-	6x35p = 210p	63,000
		63,000		126,000

F. Duerr & Sons Limited

Strategic Report (continued) For the Year Ended 31 March 2022

As shown in the Statement of Comprehensive Income on page 12, the Company's turnover has decreased to £72.4 million (2021: £83.6 million).

Directors' commission relates to 3 directors (2021: 3 directors). No commission was paid during the current year due to the results.

The balance sheet on page 13 shows the net asset position at 31 March 2021 was £25.2 million (2021: £26.3 million).

As shown in the cash flow statement on page 15, the Company has a positive cash flow of £4,378,210 (2021: £1,000,073) from operating activities as a result of continued profitability.

Details of post balance sheet events are given in the directors report and note 2.2, including the impact of COVID-19 and ongoing inflationary pressures on the business.

Principal risks and uncertainties

The Company operates in a highly competitive market and the economic climate continues to be a challenging one for all businesses. The economic conditions continue to produce an increased risk of business failure, driven more so in the current year by ongoing inflationary pressures, causing significant increases in costs. The Company has successfully continued to balance its exposure to risk by winning new business, retaining current business, controlling costs and, where necessary, passing on cost inflation in sales pricing.

The majority of the Company's transactions are conducted in pounds sterling. However, there is a limited exposure to the Euro and US Dollar, and in order to minimise the Company's exchange rate risk the directors have invariably entered into currency hedges for the exchange rate exposure which is not covered by income in these currencies.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company is financed by short-term invoice financing debt and has long-term asset finance facilities available.

The Company operates in a very competitive market. All pricing is agreed with customers, for a specified period, following a formal product costing process that accounts for all known risk factors. This process, and the continual monitoring of costs, ensures that pricing remains competitive whilst also ensuring an acceptable profit margin is achieved.

Financial key performance indicators

The directors consider the financial key performance indicators to be the revenue and net profit/loss of the business, both of which are analysed in the report above.

Future developments

The directors forecast the financial performance of the business to remain at the reported level in the forthcoming year. The directors are confident they will continue to manage the business effectively through the current trading conditions, having continuously adapted the business to cope with the new challenges that have arisen, particularly in the last two years. The Company's future prospects are therefore deemed satisfactory.

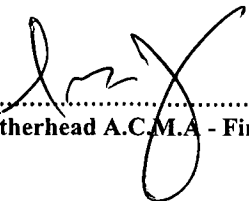
Directors' statement of compliance with duty to promote the success of the Company

The Directors' compliance with their duty to promote the success of the company is disclosed in detail within the Directors' Report.

F. Duerr & Sons Limited

**Strategic Report (continued)
For the Year Ended 31 March 2022**

This report was approved by the board and signed on its behalf.


.....
D K Weatherhead A.C.M.A - Finance Director
Director

Date: 17 November 2022

F. Duerr & Sons Limited

**Directors' Report
For the Year Ended 31 March 2022**

The directors present their report and the financial statements for the year ended 31 March 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, the Directors' Report 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to 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.

Results and dividends

The loss for the year, after taxation, amounted to £1,111,042 (2021 - profit £652,915).

Dividends paid are disclosed in the Strategic Report. The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

A N Duerr O.B.E - Chairman (resigned 12 February 2022)
M A F Duerr - Managing Director
A J Collinson B.Sc, F.C.A - Director (resigned 31 March 2022)
R N A Duerr - Sales & Marketing Director
D K Weatherhead A.C.M.A - Finance Director

Future developments

In accordance with s414(C) (11) of the Companies Act, included in the Strategic Report is information relating to the future developments of the business which would otherwise be required by Schedule 7 of the 'Large and medium sized Companies and Groups (Accounts and Reports) Regulations 2008' to be contained in a Directors Report.

F. Duerr & Sons Limited

**Directors' Report (continued)
For the Year Ended 31 March 2022**

Engagement with suppliers, customers and others

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider would be most likely to promote the success of the Company for the benefit of its members as a whole.

The Board will consider a range of matters when looking at the long-term success of the business, and therefore strategic decisions will fully consider the factors associated with s172.

Our employee stakeholders are fundamental to the capital investment and strategic growth decisions made in the year, with the aim of strengthening the opportunity for long-term business success and therefore job security. Employee communication is also made formally via the union and its representatives, and informally on a regular basis through noticeboards and a variety of other means.

The business engages with its customers from the new product development phase through to subsequent account management. Meanwhile our production sites are accessible for quality assurance audits, and similarly the same high standards are applied by Duerr's to ensure the suitability and technical capability of our supply partners.

Environmental activities continue following the implementation of SECR (Streamlined Energy and Carbon Reporting) compliance in 2019, and adoption of the ISO50001 standard to focus on system implementation that drives energy reduction.

In the community, the business continually employs local skills, and has continued to support a variety of local causes.

Shareholder value remains at the core of all strategic decision making.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Company's greenhouse gas emissions and energy consumption are as follows:

	2022	<i>2021</i>
Emissions resulting from activities for which the Company is responsible involving the combustion of gas or consumption of fuel for the purposes of transport (in tonnes of CO2 equivalent)	2,110	<i>2,241</i>
Emissions resulting from the purchase of the electricity by the Company for its own use, including the purposes of transport (in tonnes of CO2 equivalent)	1,032	<i>1,215</i>
Energy consumed from activities for which the Company is responsible involving the combustion of gas, or the consumption of fuel for the purposes of transport, and the annual quantity of energy consumed resulting from the purchase of electricity by the Company for its own use, including for the purposes of transport, in kWh	16,382	<i>17,398</i>

The data was collaborated by an appropriately qualified professional and calculated using the 2019 UK Government environmental reporting guidance, utilising current published emissions factors from Database 2019, Version 1.01.

The company is looking to improve its energy efficiency further by continuing the process of installing more efficient LED lighting, monitoring steam boiler usage and water usage, and improving site awareness of energy efficiency.

Management have chosen to disclose CO2e/tonne as their relevant ratio. In 2022, this was 75.58kg CO2e/tonne (2021: 83.1).

F. Duerr & Sons Limited

**Directors' Report (continued)
For the Year Ended 31 March 2022**

Matters covered in the strategic report

Future developments and financial management risk are considered to be of strategic importance and are therefore disclosed in the Strategic Report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Post balance sheet events and going concern

After the balance sheet date, we have seen the continuation of global uncertainty, which has a bearing on our industry. The COVID-19 pandemic has diminished but along with global supply chain pressures and the war in Ukraine, has driven significant inflation, particularly in some direct materials and our energy costs, and caused a degree of disruption in the supplier base.

Sales across the various sectors remain stable though the influence of price inflation on consumer demand for our products is not yet wholly apparent. We therefore continue to carefully manage the total cost base and engineer products where possible to mitigate sale price inflation. We also continue to target sales volume growth with the aim of improving on last year's result.

In light of the most recent business forecasts and the approach above, management deem it appropriate to prepare the accounts on a going concern basis.

Auditors

The auditors, Hurst Accountants Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.


.....
D K Weatherhead A.C.M.A - Finance Director
Director

Date: 17 November 2022

F. Duerr & Sons Limited

Independent Auditors' Report to the Members of F. Duerr & Sons Limited

Opinion

We have audited the financial statements of F. Duerr & Sons Limited (the 'Company') for the year ended 31 March 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).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its loss 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

We have nothing to report in this regard.

F. Duerr & Sons Limited

Independent Auditors' Report to the Members of F. Duerr & Sons Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

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, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 is 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.

Independent Auditors' Report to the Members of F. Duerr & Sons Limited (continued)

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 an Auditors' Report 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 non-compliance 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:

Identifying and assessing potential risks related to irregularities

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector in which the company operates; the control environment and business performance including key drivers for directors' remuneration, bonus levels and performance targets.
- The outcome of enquiries of local management and parent company management, including whether management was aware of any instances of non-compliance with laws and regulations, and whether management had knowledge of any actual, suspected, or alleged fraud.
- Supporting documentation relating to the Company's policies and procedures for:
 - Identifying, evaluating, and complying with laws and regulations
 - Detecting and responding to the risks of fraud
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- The outcome of discussions amongst the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- The legal and regulatory framework in which the Company operates, particularly those laws and regulations which have a direct effect on the financial statements, such as the Companies Act 2006, pensions and tax legislation, or which had a fundamental effect on the operations of the Company, including General Data Protection requirements, and *Anti-bribery and Corruption*.

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- Reviewing the financial statements disclosures and testing to supporting documentation to assess compliance with the provisions of those relevant laws and regulations which have a direct effect on the financial statements.
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Evaluation and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities.
- Enquiring of management about any actual and potential litigation and claims.
- Performing analytical procedures to identify any unusual or unexpected relationships which may indicate risks of material misstatement due to fraud.

F. Duerr & Sons Limited

Independent Auditors' Report to the Members of F. Duerr & Sons Limited (continued)

We have also considered the risk of fraud through management override of controls by:

- Testing the appropriateness of journal entries and other adjustments. We have used data analytics software to identify accounting transactions which may pose a heightened risk of material misstatement, whether due to fraud or error;
- Challenging assumptions made by management in their significant accounting estimates, and assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and
- Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations are from the events and transactions reflected in the financial statements, the less likely we would become aware of them. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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. This description forms part of our Auditors' Report.

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 an Auditors' Report 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.

Hurst Accountants Limited

John Glover (Senior Statutory Auditor)

for and on behalf of

Hurst Accountants Limited

Chartered Accountants

Statutory Auditors

Lancashire Gate

21 Tiviot Dale

Stockport

SK1 1TD

17 November 2022

F. Duerr & Sons Limited

**Statement of Comprehensive Income
For the Year Ended 31 March 2022**

	Note	2022 £	2021 £
Turnover	4	72,435,351	83,597,086
Cost of sales		<u>(68,534,762)</u>	<u>(77,674,112)</u>
Gross profit		3,900,589	5,922,974
Distribution costs		(1,944,506)	(2,733,431)
Administrative expenses		(3,043,776)	(2,637,496)
Other operating income	5	<u>13,328</u>	<u>68,100</u>
Operating (loss)/profit	6	(1,074,365)	620,147
Interest receivable and similar income		5,699	-
Interest payable and similar expenses	11	<u>(75,643)</u>	<u>(107,013)</u>
(Loss)/profit before tax		(1,144,309)	513,134
Tax on (loss)/profit	12	<u>33,267</u>	<u>139,781</u>
(Loss)/profit for the financial year		<u>(1,111,042)</u>	<u>652,915</u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 16 to 34 form part of these financial statements.

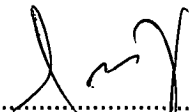
All operations are classed as continuing.

F. Duerr & Sons Limited
Registered number: 00198509

Balance Sheet
As at 31 March 2022

	Note	2022 £	<i>As restated</i> 2021 £
Fixed assets			
Intangible assets	14	512,065	650,822
Tangible assets	15	20,521,409	21,585,650
Investments	16	1,459,207	1,459,207
		<u>22,492,681</u>	<u>23,695,679</u>
Current assets			
Stocks	17	11,055,840	11,097,492
Debtors: amounts falling due within one year	18	13,516,287	14,893,777
Cash at bank and in hand	19	412,896	1,030,324
		<u>24,985,023</u>	<u>27,021,593</u>
Creditors: amounts falling due within one year	20	(19,470,954)	(20,834,444)
Net current assets		<u>5,514,069</u>	<u>6,187,149</u>
Total assets less current liabilities		<u>28,006,750</u>	<u>29,882,828</u>
Creditors: amounts falling due after more than one year	21	(1,645,770)	(2,445,194)
Provisions for liabilities			
Deferred tax		(1,100,529)	(1,086,237)
Net assets		<u>25,260,451</u>	<u>26,351,397</u>
Capital and reserves			
Called up share capital	24	30,001	30,001
Share premium account	25	69,102	69,102
Profit and loss account	25	25,161,348	26,252,294
		<u>25,260,451</u>	<u>26,351,397</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



D K Weatherhead A.C.M.A - Finance Director
 Director

Date: 17 November 2022

The notes on pages 16 to 34 form part of these financial statements.

F. Duerr & Sons Limited

**Statement of Changes in Equity
For the Year Ended 31 March 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 April 2020	30,001	69,102	25,725,379	25,824,482
Comprehensive income for the year				
Profit for the year	-	-	652,915	652,915
Dividends: Equity capital	-	-	(126,000)	(126,000)
At 1 April 2021	30,001	69,102	26,252,294	26,351,397
Comprehensive income for the year				
Loss for the year	-	-	(1,111,042)	(1,111,042)
Fair value adjustments	-	-	83,096	83,096
Dividends: Equity capital	-	-	(63,000)	(63,000)
At 31 March 2022	30,001	69,102	25,161,348	25,260,451

The notes on pages 16 to 34 form part of these financial statements.

F. Duerr & Sons Limited

**Statement of Cash Flows
For the Year Ended 31 March 2022**

	2022 £	2021 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(1,111,042)	652,915
Adjustments for:		
Amortisation of intangible assets	138,757	138,757
Depreciation of tangible assets	2,562,900	2,565,469
Interest paid	75,643	107,013
Interest received	(5,699)	-
Taxation charge	(33,267)	(139,781)
Decrease/(increase) in stocks	41,652	(578,787)
Decrease/(increase) in debtors	1,052,566	(1,302,651)
Increase/(decrease) in creditors	1,206,405	(587,824)
Corporation tax received	450,295	145,062
Net cash generated from operating activities	4,378,210	1,000,173
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,498,656)	(1,710,128)
Interest received	5,699	-
Net cash from investing activities	(1,492,957)	(1,710,128)
Cash flows from financing activities		
Repayment of finance leases	(821,710)	(821,710)
Movements on invoice discounting	(1,825,145)	1,901,081
Dividends paid	(105,629)	(150,339)
Interest paid	(75,643)	(107,013)
Net cash used in financing activities	(2,828,127)	822,019
Net increase in cash and cash equivalents	57,126	112,064
Cash and cash equivalents at beginning of year	(190,613)	(302,677)
Cash and cash equivalents at the end of year	(133,487)	(190,613)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	412,896	1,030,324
Bank overdrafts	(546,383)	(1,220,937)
	(133,487)	(190,613)

F. Duerr & Sons Limited

**Analysis of Net Debt
For the Year Ended 31 March 2022**

	At 1 April 2021 £	Cash flows £	Other non- cash changes £	At 31 March 2022 £
Cash at bank and in hand	1,030,324	(617,428)	-	412,896
Bank overdrafts	(1,220,937)	674,554	-	(546,383)
Advances from invoice discounting	(4,164,614)	1,825,145	-	(2,339,469)
Finance leases	(3,149,887)	821,709	-	(2,328,178)
Financial instruments	(5,282)	-	83,096	77,814
	<u>(7,510,396)</u>	<u>2,703,980</u>	<u>83,096</u>	<u>(4,723,320)</u>

The notes on pages 16 to 34 form part of these financial statements.

F. Duerr & Sons Limited

Notes to the Financial Statements For the Year Ended 31 March 2022

1. General information

F. Duerr & Sons Limited is a private company limited by members capital incorporated in England and Wales. The address of the registered office and the principal place of business is Dallimore House, Dallimore Road, Roundthorn Industrial Estate, Manchester, M23 9NX. The company number is 00198509.

The nature of the company's operations and its principal activity is the manufacture and distribution of jams, marmalades, peanut butter, mincemeat, condiments, prepared fruit and honey.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The financial statements contain information about F. Duerr & Sons Limited as an individual Company and do not contain consolidated financial information as a parent of a group. Group accounts have not been prepared as the Company has no material subsidiaries. This is in accordance with the Companies Act, s405.

The following principal accounting policies have been applied:

2.2 Going concern

After the balance sheet date, we have seen the continuation of global uncertainty, which has a bearing on our industry. The COVID-19 pandemic has diminished but along with global supply chain pressures and the war in Ukraine, has driven significant inflation, particularly in some direct materials and our energy costs, and caused a degree of disruption in the supplier base.

Sales across the various sectors remain stable though the influence of price inflation on consumer demand for our products is not yet wholly apparent. We therefore continue to carefully manage the total cost base and engineer products where possible to mitigate sale price inflation. We also continue to target sales volume growth with the aim of improving on last year's result.

In light of the most recent business forecasts and the approach above, management deem it appropriate to prepare the accounts on a going concern basis.

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.6 Research and development

Research and development expenditure is written off as incurred.

2.7 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

2.8 Interest income

Interest income is recognised in profit or loss using the effective interest method.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

2. Accounting policies (continued)

2.9 Finance costs

Finance costs are charged to the Statement of Comprehensive Income.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.11 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.12 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

2. Accounting policies (continued)

2.13 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	20	years
Registered design	-	12	years

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	2%	original cost
Plant and machinery	-	10%	original cost
Motor vehicles	-	30%	net book value
Computer equipment	-	20%	original cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted respectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Notes to the Financial Statements
For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

2.19 Creditors

Short term creditors are measured at the transaction price.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.21 Financial instruments

The Company only enters into basic financial instrument 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 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 debtors and creditors, 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Notes to the Financial Statements
For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.21 Financial instruments (continued)

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty - impairment of goodwill

Determining whether the goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date was £512,065 (2021: £650,822) and there was no impairment loss during the year 2021/22.

Depreciation of tangible fixed assets

The Company exercises judgement in estimating the useful lives of tangible fixed assets. The depreciation rates are shown in note 2.14.

Stock valuation and provisions

The Company exercises judgement in estimating the obsolescence of stock and making impairments to reflect the difference between cost and estimated net realisable value. Stock provisions at the year end totalled £373,977 (2021: £335,054).

Recoverable value of trade debtors

The Company has recognised trade debtors with a carrying value of £11,376,885 (2021: £12,578,653). The recoverability of trade debtors is regularly reviewed in the light of the available economic information specific to each debtor and specific provisions are recognised for balances considered to be at risk or irrecoverable. A bad debt loss of £2,331 (2021: gain of £1,862) was charged to the Statement of comprehensive income during the year.

4. Turnover

The whole of the turnover is attributable to the company's principal activity as described in note 1.

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	71,206,262	78,482,752
Rest of Europe	1,165,845	4,966,944
Rest of the world	63,244	147,390
	<u>72,435,351</u>	<u>83,597,086</u>

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

5. Other operating income

	2022	2021
	£	£
Government grant income	13,328	68,100

Government grant income relates to amounts claimed in accordance with the Coronavirus Job Retention Scheme.

6. Operating (loss)/profit

The operating profit is stated after charging/ (crediting):

	2022	2021
	£	£
Exchange differences	(111,685)	22,074
Operating lease rentals	520,823	536,523

7. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	25,865	24,635

Fees payable to the Company's auditor and its associates in respect of:

Taxation compliance services	6,550	6,240
Other services relating to taxation	8,500	12,400
	<u>15,050</u>	<u>18,640</u>

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	2022 £	2021 £
Wages and salaries	10,355,423	11,315,323
Social security costs	884,456	938,214
Cost of defined contribution pension scheme	377,849	406,068
	<u>11,617,728</u>	<u>12,659,605</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Production	247	249
Distribution	15	15
Sales	6	9
Administration	34	36
	<u>302</u>	<u>309</u>

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	660,000	654,578
Company contributions to defined contribution pension schemes	10,000	10,000
	<u>670,000</u>	<u>664,578</u>

During the year retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £185,149 (2021 - £205,503).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2021 - £NIL).

Commissions paid to directors during the year amounted to £Nil (2021: £69,000).

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

10. Interest receivable

	2022 £	2021 £
Other interest receivable	5,699	-

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	22,241	35,618
Other interest payable	53,402	71,395
	<u>75,643</u>	<u>107,013</u>

12. Taxation

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	(47,559)	(308,121)
Total current tax	<u>(47,559)</u>	<u>(308,121)</u>
Deferred tax		
Origination and reversal of timing differences	49,468	141,112
Adjustments in respect of prior periods	(35,176)	27,228
Total deferred tax	<u>14,292</u>	<u>168,340</u>
Taxation on profit on ordinary activities	<u>(33,267)</u>	<u>(139,781)</u>

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
(Loss)/profit on ordinary activities before tax	<u>(1,144,309)</u>	<u>513,134</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(217,419)	97,495
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	57,325	26,730
Adjustments to tax charge in respect of prior periods	(47,559)	(308,121)
Adjustments to deferred tax charge in respect of prior periods	(35,176)	27,228
Changes in tax rates	264,127	-
Other differences leading to an increase (decrease) in the tax charge	<u>(54,565)</u>	<u>16,887</u>
Total tax (credit)/charge for the year	<u><u>(33,267)</u></u>	<u><u>(139,781)</u></u>

Factors that may affect future tax charges

In April 2021, it was confirmed that the main rate of corporation tax would rise to 25% from April 2023. This will impact tax paid on company profits from that date.

13. Dividends

	2022 £	2021 £
Final dividend for the year ended 31 March of £2.10 (2021: £2.10) per ordinary share	63,000	63,000
Interim dividend for the year ended 31 March of £Nil (2021: £2.10) per ordinary share	-	63,000
	<u><u>63,000</u></u>	<u><u>126,000</u></u>

There was no interim dividend paid during the year.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

14. Intangible assets

	Registered design £	Goodwill £	Total £
Cost			
At 1 April 2021	45,000	3,463,408	3,508,408
At 31 March 2022	45,000	3,463,408	3,508,408
Amortisation			
At 1 April 2021	45,000	2,812,586	2,857,586
Charge for the year on owned assets	-	138,757	138,757
At 31 March 2022	45,000	2,951,343	2,996,343
Net book value			
At 31 March 2022	-	512,065	512,065
<i>At 31 March 2021</i>	-	650,822	650,822

The goodwill relates to the acquisition of Samuel Moore Foods Limited and Landauer Honey Limited. On 1 April 2009, Elgar Foods Limited and Essential Dressings Limited transferred their trade, assets and liabilities to F. Duerr & Sons Limited. This resulted in goodwill of £1,531,989 being created.

The registered design related to the net acquisition cost of the portion pot design which has been registered and was protected until 2015.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

15. Tangible fixed assets

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2021	5,657,668	33,639,882	15,252	39,312,802
Additions	-	1,498,659	-	1,498,659
Disposals	-	(979,405)	-	(979,405)
At 31 March 2022	<u>5,657,668</u>	<u>34,159,136</u>	<u>15,252</u>	<u>39,832,056</u>
Depreciation				
At 1 April 2021	784,047	16,928,506	14,599	17,727,152
Charge for the year on owned assets	99,505	2,386,767	196	2,486,468
Charge for the year on financed assets	-	76,432	-	76,432
Disposals	-	(979,405)	-	(979,405)
At 31 March 2022	<u>883,552</u>	<u>18,412,300</u>	<u>14,795</u>	<u>19,310,647</u>
Net book value				
At 31 March 2022	<u>4,774,116</u>	<u>15,746,836</u>	<u>457</u>	<u>20,521,409</u>
<i>At 31 March 2021</i>	<u>4,873,621</u>	<u>16,711,376</u>	<u>653</u>	<u>21,585,650</u>

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Freehold	<u>4,774,116</u>	<u>4,873,621</u>

Included in freehold land and buildings figure above is land with an original cost of £682,428 (2021: £682,428) which is not depreciated.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

15. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022	2021
	£	£
Plant and machinery	-	76,432
	-	76,432

16. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	1,814,353
At 31 March 2022	1,814,353
Impairment	
At 1 April 2021	355,146
At 31 March 2022	355,146
Net book value	
At 31 March 2022	1,459,207
<i>At 31 March 2021</i>	1,459,207

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Elgar Foods Limited	Dormant	Ordinary	100%
Landauer Honey Limited	Dormant	Ordinary	100%
Essential Dressings Limited	Dormant	Ordinary	100%

The subsidiary undertakings are all dormant and therefore not included in the consolidated accounts, in accordance with the Companies Act, s405. The registered office of the subsidiary companies are Dallimore House, Dallimore Road, Roundthorn Industrial Estate, Wythenshawe, Manchester, M23 9NX.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

17. Stocks

	2022 £	2021 £
Raw materials and consumables	6,706,190	6,303,005
Finished goods and goods for resale	4,349,650	4,794,487
	<u>11,055,840</u>	<u>11,097,492</u>

18. Debtors

	2022 £	2021 £
Trade debtors	11,376,885	12,578,653
Other debtors	1,094,491	1,185,459
Prepayments and accrued income	967,097	1,129,665
Financial instruments	77,814	-
	<u>13,516,287</u>	<u>14,893,777</u>

19. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	412,896	1,030,324
Less: bank overdrafts	(546,383)	(1,220,937)
	<u>(133,487)</u>	<u>(190,613)</u>

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

20. Creditors: Amounts falling due within one year

	2022	<i>As restated</i>
	£	<i>2021</i>
		£
Bank overdrafts	546,383	1,220,937
Trade creditors	12,722,457	11,162,669
Amounts owed to group undertakings	1,460,823	1,460,823
Other taxation and social security	105,488	107,958
Obligations under finance lease and hire purchase contracts	821,710	821,710
Advances from invoice discounting	2,339,469	4,164,614
Other creditors	633,394	1,085,505
Accruals and deferred income	841,230	804,946
Financial instruments	-	5,282
	19,470,954	20,834,444

During the year, management noted that £73,775 of deferred income that had been presented in the prior year accounts as being due within one year was in fact due within more than one year, and thus this amount was reclassified accordingly. There was no impact on the profit and loss account.

Security

Advances from invoice discounting of £2,339,469 (2021: £4,164,614) are secured against certain trade debtors.

Bank loans and overdrafts balances of £546,383 (2021: £1,220,937) are secured by means of fixed and floating charges over the assets of the company.

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

21. Creditors: Amounts falling due after more than one year

	2022	<i>As restated</i>
	£	<i>2021</i>
		£
Net obligations under finance leases and hire purchase contracts	1,506,468	2,328,177
Accruals and deferred income	139,302	117,017
	1,645,770	2,445,194

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

During the year, management noted that £73,775 of deferred income that had been presented in the prior year accounts as being due within one year was in fact due within more than one year, and thus this amount was reclassified accordingly. There was no impact on the profit and loss account.

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Within one year	821,710	821,710
Between 1-5 years	1,506,468	2,328,177
	<u>2,328,178</u>	<u>3,149,887</u>

Obligations under finance lease and hire purchase contracts are secured on the assets to which they relate.

23. Deferred taxation

	2022 £	2021 £
At beginning of year	1,086,237	917,897
Charged to profit or loss	14,292	168,340
At end of year	<u>1,100,529</u>	<u>1,086,237</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	1,552,849	1,091,882
Tax losses carried forward	(393,410)	(309)
Other timing differences	(58,910)	(5,336)
	<u>1,100,529</u>	<u>1,086,237</u>

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

24. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
30,000 (2021 - 30,000) Ordinary shares of £1.0000 each	30,000	30,000
5,100 (2021 - 5,100) B1 ordinary shares of £0.0001 each	1	1
	<u>30,001</u>	<u>30,001</u>

Ordinary shareholders are entitled to vote. B1 ordinary shares have no voting or dividend rights.

25. Reserves

Share premium account

The share premium reserve contains the premium arising on issue of equity shares, net of issue expense.

Profit and loss account

The profit and loss reserve represents cumulative profits or losses, including unrealised profit on the re-measurement of investment properties, net of dividends paid and other adjustments.

26. Share based payments

The Company has a cash-settled share option scheme which is open to certain directors. The Company takes part in this share-based payment plan, and recognises and measures its allocation of the share-based payment expense on a pro-rata basis.

Options are exercisable at a price equal to the estimated fair value of the Company's shares on the date of vesting. The vesting period is between one and five years. If the options remain unexercised after a period of five years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options vest.

Following a review of the company's results and position for the year ended 31 March 2021, it was deemed that the share option scheme would not lead to a payment being made by the company, and as a result, the liability has been released in full to the Statement of comprehensive income in the prior year.

The scheme had a revised deadline set of 31 December 2021, but the threshold at which the scheme would vest was not met and therefore no further charges have been recognised during the current year. The expense to the company during the year was therefore £nil (2021: £nil).

F. Duerr & Sons Limited

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

27. Pension commitments

Defined contributions scheme

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 £377,849 (2021: £406,068). Contributions totalling £54,691 (2021: £62,735) were payable to the fund at the balance sheet date and are included in creditors.

Defined benefit scheme

The Company operated a Defined Benefit Pension Scheme. The scheme was closed on 30 June 2021. No further assets or liabilities were due as a result of the scheme closure.

As the scheme was closed during the year, no assets or liabilities arose as a result of the closure, no adjustments or disclosures are provided in the accounts for the year ended 31 March 2022 in respect of the defined benefit pension scheme. No contributions (2021: £Nil) were paid during the year.

28. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022	2021
	£	£
Not later than 1 year	253,804	201,565
Later than 1 year and not later than 5 years	335,253	242,453
Later than 5 years	502,065	28,523
	<u>1,091,122</u>	<u>472,541</u>

29. Related party transactions

Transactions with the directors of the Company are disclosed in note 9. Key management of the business is deemed to constitute directors and therefore no further disclosure is required.

Amounts owed to subsidiary are disclosed in note 20. These amounts all relate to short term loans of £1,460,823 (2021: £1,460,823) which are interest free and repayable on demand.

During the year, director commissions payable by the Company to the directors amounted to £Nil (2021: £69,000). Commissions totalling £Nil (2021: £69,000) were payable to the directors at the balance sheet date and are included in other creditors.

Details of the share based payment scheme are noted in note 26.