
MARIGOLD HEALTH FOODS LIMITED

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 MARCH 2023

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MARIGOLD HEALTH FOODS LIMITED
REGISTERED NUMBER: 01300295

BALANCE SHEET
AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	4	11,349	4,775
		<u>11,349</u>	<u>4,775</u>
Current assets			
Stocks		537,525	490,084
Debtors: amounts falling due after more than one year	5	-	48,421
Debtors: amounts falling due within one year	5	1,827,775	1,033,766
Cash at bank and in hand		2,196,419	2,168,329
		<u>4,561,719</u>	<u>3,740,600</u>
Creditors: amounts falling due within one year	6	(1,058,226)	(880,869)
Provisions		-	(350,641)
		<u></u>	<u></u>
Net current assets		3,503,493	2,509,090
		<u></u>	<u></u>
Net assets		3,514,842	2,513,865
		<u></u>	<u></u>
Capital and reserves			
Called up share capital	8	600	600
Capital redemption reserve	9	3,276	3,276
Share option reserve	9	77,747	77,747
Profit and loss account	9	3,433,219	2,432,242
		<u></u>	<u></u>
Shareholders' funds		3,514,842	2,513,865
		<u></u>	<u></u>

MARIGOLD HEALTH FOODS LIMITED
REGISTERED NUMBER: 01300295

BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2023

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the Statement of Comprehensive Income in accordance with provisions applicable to companies subject to the small companies regime.

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


Patrick Tobin (Nov 24, 2023 13:36 GMT)

P J Tobin
Director

Date: 24/11/2023

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. General information

Marigold Health Foods Limited is a private company, limited by shares, domiciled and incorporated in England and Wales (registered number: 01300295). The registered office address is 3.11 Clockwise, Greenside House, 50 Station Road, London, N22 7DE.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis.

The directors have carefully reviewed the future prospects of the Company and its future cash flows, including an assessment of the potential on-going impact of the COVID-19 pandemic and Brexit. The business operates in a sector that continues to experience high level of demand but has seen a significant drop in export business due to Brexit. Inflation, energy costs and instability in the economy will also be challenging. Fortunately we are a lean, well-established but flexible business with low overheads and no debt. Despite an uncertain future trading environment, having assessed the forecasts, the directors have a reasonable expectation that the Company has more than adequate resources to continue in operational existence for the foreseeable future being at least the next 12 months from signing of these financial statements.

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

The financial statements have been rounded to the nearest pound.

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.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.4 Turnover

Turnover 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. Turnover 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

Turnover 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 Interest income

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

2.7 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.

Depreciation 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:

Fixtures and fittings	- Over 3 years
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The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively 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 profit or loss.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.8 Impairment of fixed assets

Assets that are subject to depreciation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

2.9 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 first in, first out 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.

2.10 Employee benefits

Short-term employee benefits including holiday pay and annual bonuses are accrued as services are rendered.

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 profit or loss 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.

2.11 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.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.12 Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and bank overdrafts which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

2.13 Share-based payments

The Company has applied the requirements of FRS102 Section 26 'Share Based Payments'.

The Company issues equity-settled share-based payments to certain employees. Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period.

Fair value is measured by use of the Black Scholes pricing model. The expected live used in the model has been adjusted, based on management's best estimate, for the effects of nontransferability, exercise restrictions and behaviour considerations.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

2. Accounting policies (continued)

2.14 Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.15 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.

3. Employees

The average monthly number of employees, including directors, during the year was 4 (2022 - 4).

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

4. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 April 2022	21,159
Additions	12,330
Disposals	(15,183)
At 31 March 2023	<u>18,306</u>
Depreciation	
At 1 April 2022	16,384
Charge for the year	2,614
Disposals	(12,041)
At 31 March 2023	<u>6,957</u>
Net book value	
At 31 March 2023	<u><u>11,349</u></u>
At 31 March 2022	<u><u>4,775</u></u>

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

5. Debtors

	2023 £	2022 £
Due after more than one year		
Other debtors	-	48,421
	<u> </u>	<u> </u>
	2023 £	2022 £
Due within one year		
Trade debtors	894,710	971,175
Other debtors	892,126	26,286
Prepayments and accrued income	31,294	22,808
Deferred taxation	9,645	13,497
	<u>1,827,775</u>	<u>1,033,766</u>

6. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	717,912	641,810
Corporation tax	209,831	173,094
Other taxation and social security	6,887	5,698
Other creditors	76,927	22,456
Accruals and deferred income	46,669	37,811
	<u>1,058,226</u>	<u>880,869</u>

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

7. Provisions

	Onerous Lease £
At 1 April 2022	350,641
Utilised during the year	(350,641)
At 31 March 2023	-

The provision related to rental and other associated onerous lease costs in respect to the Company's unutilised warehouse space located on White Hart Lane. During the year, the Company reached a settlement with its landlord to exit the lease ahead of the break clause of July 2023.

8. Called up share capital

	2023 £	2022 £
Allotted, called up and fully paid		
176 B shares of £1.00 each	176	176
200 C shares of £1.00 each	200	200
224 D shares of £1.00 each	224	224
	<u>600</u>	<u>600</u>

Each share is entitled to one vote in any circumstances and they all carry equal rights.

9. Reserves

Capital redemption reserve

This reserve is a statutory, non-distributable reserve which amounts have been transferred into following the purchase back of the Company's own shares.

Share option reserve

This reserve relates to the accumulated cost of share option agreements to the Company.

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

10. Share-based payments

The Company operates equity settled share-based payment schemes

All options are granted over ordinary shares and have a 10-year exercise life and are exercisable at employees' discretion.

The fair value of awards granted under the scheme is estimated on the date of grant using the Black Scholes valuation model. If the options remain unexercised after a period of up to 10 years from the date of grant, the options expire. Options are forfeited if the employee leaves the Company before the options are exercised.

	Weighted average exercise price (pence) 2023	Number 2023	Weighted average exercise price (pence) 2022	Number 2022
Outstanding at the beginning of the year	887	256	887	256
Outstanding at the end of the year	887	256	887	256

	2023	2022
Option pricing model used	Black Scholes	Black Scholes
Weighted average share price (pence)	887	887
Exercise price (pence)	887	887
Weighted average contractual life (years)	10	10
Expected volatility	25	25
Expected dividend growth rate	0	0
Risk-free interest rate	1	1

The total value of the option was recognised in the year ended 31 March 2017 as the options can be exercised at the employees' discretion.

MARIGOLD HEALTH FOODS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. Related party transactions

Transactions with directors

Included in other creditors at the year end are amounts due to two directors amounting to £11,905 (2022 - £16,006). In addition to this there were amounts due to a shareholder of the Company, of £Nil (2022 - £6,450). In the year £56,450 (2022 - £129,524) was repaid by the Company and £50,000 (2022 - £100,000) was advanced by the Company. The loans are interest free, unsecured and repayable on demand.

Key management are those persons who have authority and responsibility for planning, controlling and directing the activities of the Company. In the opinion of the directors, the Company's key management includes the director and members of senior management. The compensation paid or payable to key management for employee services relates to salaries and other short-term benefits including pension contributions of £279,124 (2022 - £264,430).

During the year, dividends of £56,000 and £44,000 (2022 - £56,000 and £44,000) were paid to two members of key management personnel of the Company.

12. Auditor's information

The auditor's report on the financial statements for the year ended 31 March 2023 was unqualified.

The audit report was signed on 24/11/2023
behalf of CLA Evelyn Partners Limited.

by Chetan Mistry (Senior Statutory Auditor) on