

BEESWIFT LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020

Company Registration number 01569085



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DIRECTORS AND ADVISERS

Directors

Chairman

D M Ellman
D Ellman
L M Giles
D J Griffin FCA
A J Stonehill
D R Washbourne
M Teperson
D L Roth

Company Secretary

T C Sadler BA(HONS) ACA

Registered Office

Unit 1, The Hub
Nobel Way
Witton
Birmingham
B6 7EU

Registered Number

01569085 (England and Wales)

Auditors

BDO LLP
Two Snowhill
Birmingham
B4 6GA

Bankers

HSBC Bank PLC
PO Box 68, 130 New Street
Birmingham
B2 4JU

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their report together with the Financial Statements for the year ended 30 September 2020.

Results and Dividends

The profit for the year after taxation was £ 12,322,681 (2019 - £ 1,548,027). A dividend of £5,500,000 has been declared in the year. The Directors recommend the payment of a final dividend of £ 675,000 (2019 - £ 775,000).

Directors

The Directors who held office during the year are as follows:

D M Ellman	A J Stonehill
D Ellman	D R Washbourne
L M Gilles	M Teperson
D J Griffin FCA	D L Roth (Appointed on 27/01/2020)

Auditor

The auditors, BDO LLP, are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the directors' report, the strategic 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:-

- : select suitable accounting policies and then apply them consistently;
- : make judgements and accounting estimates that are reasonable and prudent;
- : state whether applicable UK standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- : prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Disclosure to Auditors

So far as the Directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the Directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

Review of the business, future developments, principal risks and financial instruments

Information regarding these matters are set out within the strategic report on page 4.

Qualifying third party indemnity provisions

The company has arranged qualifying third party indemnity for all of its UK domiciled directors.

Streamlined Carbon Reporting

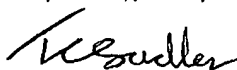
The level of greenhouse gas emission for the period, relating to activities that the business is responsible for was 159,449kg CO2e. This is a total of 674,544 kwh and is the equivalent of 1,084.69kg CO2e per employee. In line with reporting guidance the Gross CO2e has been further categorised 30,443kg of CO2e from combustion of fuel for transport purposes, 7,159kg of CO2e from the combustion of gas 121,847kg of CO2e from purchased electricity.

Under the Companies (Directors' Report) and Limited Liability Partnership (Energy and Carbon Report) Regulations 2018, we are mandated to disclose our UK energy use and associated greenhouse gas (GHG) emissions.

The Company have assessed their GHG emissions using the 2020 emissions conversion factors developed by Defra and BEIS. Data has been compiled at our Head Office by our Compliance and Ethics manager.

Beeswift have continued to take energy saving measures, such as installing LED lighting and motion sensors, packaging has been altered to use recycled materials where possible. Longer term the company is planning to use electric delivery vehicles and lower emission cars including hybrid/pev alternatives to replace the current fleet.

This report was approved by the board on 29th April 2021 and signed on its behalf.



T C Sadler BA(HONS) ACA
Company Secretary

BEESSWIFT LIMITED**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their Strategic Report together with the Financial Statements for the year ended 30 September 2020.

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of the business and is written in the context of the risks and uncertainties faced.

Principal Activities

The principal activity of the company in the year under review has remained that of worldwide dealing in garment and textile products, in particular the wholesale distribution of protective clothing, safety wear and related equipment.

Review of the Business and Future Developments

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, profit before tax and shareholder's funds. A summary of these is given in the table below.

	2020	2019	2018	2017
	£	£	£	£
Turnover	97,105,085	53,618,621	49,342,858	45,143,744
Profit before Tax	15,191,181	1,917,504	2,897,245	2,341,640
Shareholder's Funds	19,360,478	13,312,797	12,964,770	11,519,466

Without getting bogged down in the few highs and many lows of the financial year, it is imperative that we give a balanced review. We appreciate that many sectors, unlike our own PPE world, have been severely affected by Covid-19 and damaged in terms of infrastructure balance sheet and the human cost, which has yet to be fully assessed. From the first quarter which performed well and showed consistent growth, to the first murmurings of Covid-19 in December 2019, all appeared relatively normal. From December onwards, the agility, experience and focus of the senior management team within Beeswift assured that business of continued supply through long established, trusted and tested supply chain partners was maintained throughout the whole of 2020. The focus on compliance, conformity certification were proven to be solid foundations for a turbulent ten month period of supply chain disruptions, price mega-inflation and the emergence of so called PPE experts from every business avenue unrelated to the sector itself.

The business is very conscious of its loyal and reliable supply chain and has where possible avoided cancelling orders. However, in some cases, delays were necessary in the short to medium term for certain product ranges. We are pleased to report that all has now levelled out and returned to some sense of normality.

In summary, Beeswift had a strong year, allowing the company to strengthen its Balance Sheet, expand and develop its new corporate HQ and National Distribution Centre and is now poised for some significant recruitment at senior management and board levels to further optimise the reach and development.

Principal Risks and Financial Instruments

The company's principal financial instruments comprise bank balances, bank overdrafts, trade creditors and trade debtors. The main purpose of these instruments is to raise funds to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

In respect of bank balances the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. The company makes use of money market facilities when funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Funding and Going Concern

Historically, the Company has been funded by cash flows generated from trading and a facility from its bankers. The funding is based on a combined percentage of trade debtors and inventory. The facility which was updated in February 2021 is subject to routine annual renewal in November 2021. Although the renewal of facilities presents some uncertainty, based on discussions with the bank and given the expected financial performance of the business, the company directors are comfortable that the facility of £18m will continue to be available for at least the period to 30th April 2022. The funding provided is secured on related assets and is subject to covenants.

The directors have prepared a detailed profit and cash flow forecast ("the forecast") for the period to 30th April 2022 ("the period") which shows the Company trading, financial position, cash flows and expected available financing facilities for the period. The forecast shows that the Company will be able to operate and meet its external liabilities as they fall due for payment during the period and the funding provided from its expected facilities. The forecast also shows that the Company will continue to meet its covenant requirements during the period.

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

Funding and Going Concern (Continued)

As a direct result of Covid-19 there has been a sharp increase in the demand for personal protective equipment ("PPE"). As the company is well situated in this market and has been able to meet increased short term demands of the UK economy with regard to PPE the forecasts predict a stable revenue base in the long term.

The base case assessment shown by the forecast is that a potential risk to the Company is whether there would be a requirement to utilise a larger proportion of the financing facility as a result of having to make significant advance payments to suppliers in connection with the procurement of goods, but the stabilisation of the supply chain for PPE has lessened the risk and the company has successfully navigated the period when this was more prevalent.

The actual results for October 2020 - February 2021 showed an increase in revenue year on year. In broad terms the forecast assumes that revenues will then decrease year on year for April onwards up until September 2021 when it is expected that revenues will be broadly in line with that experienced from October 2020.

As explained further in the notes to the financial statements, these and other factors have been considered and the directors consider it is appropriate to prepare the accounts on a going concern basis.

Employee Involvement

The company is committed to providing equality of opportunity to all employees without discrimination and applied fair and equitable employment policies which ensure entry and progression within the company. Appointments are determined solely by application of job criteria and competency.

Environmental Policy

The company seeks to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The company has complied with all applicable legislation and regulations and is certified to ISO Standards 14001 and 18001.

Section 172(1) statement

As required by section 172(1) of the Companies Act 2006, the directors of the Company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- 1 the likely consequences of any decision in the long term;
- 2 the interests of the company's employees;
- 3 the need to foster the company's business relationships with suppliers, customers and others;
- 4 the impact of the company's operations on the community and the environment;
- 5 the desirability of the company maintaining a reputation for high standards of business conduct; and
- 6 the need to act fairly as between members of the company.

The directors believe the following issues are relevant in complying with section 172(1) of the Companies Act 2006.

The likely consequences of any decision in the long term.

The Company's goals are described in the business's mission statement. The Board are mindful that its strategic decisions can have long term implications for the business and its stakeholders, and these implications are carefully assessed. The most prevalent example of this is in the Board's decision to relocate the business to a larger premise to facilitate growth and efficiencies.

The interests of the company's employees.

The Board takes active steps to ensure that the suggestions, views and interests of the workforce are captured and considered in decision-making. The Company is fully committed to ensuring diversity and inclusion are part of its culture and actively continues to promote a fully diverse workforce and building a culture where all can openly discuss any concerns.

Our employees are engaged through regular communications where the leadership team update on development within the business. The Company is fully committed to the health and safety and general well-being of its employees. We are proud to be accredited with ISO 45001 and seek to continuously improve employee safety, reduce workplace risks and create better, safer working conditions.

The directors have appointed and trained a number of mental health first aiders to ensure an ongoing focus on mental wellbeing for all members of staff to support all mental health issues.

The company operates a profit share scheme for the benefit of its employees. Each employee is invited to join the Group Personal Pension Plan and each pension scheme member is covered by Death in Service and Permanent Health Insurance policies.

The need to foster the company's business relationships with suppliers, customers and others.

Fostering positive long-term relationships with its customers, suppliers, partners and other stakeholders in its projects has been key to the Company's success, and the Company recognises the need to continue to develop and maintain such relationships.

Additionally, the Company requires that its supply chain is aligned with the Company's code of business ethics and corporate responsibility policies, which cover areas such as employee welfare as well as quality, health and safety and the environment.

Section 172(1) statement (Continued)

The impact of the company's operations on the community and the environment

The company is an environmentally conscious organisation, which acknowledges the impact this its operations may potentially have on the environment. The clear objective is to minimise any impact on the environment and reduce its carbon footprint. The results of the carbon reporting are outlined in the directors' report.

Sustainability is a key aspect in the Company's activities, being accredited with ISO 14001 it helps the company become greener and put a system of continual improvement in place.

The directors and employees make voluntary charitable contributions to a local Day Care Centre for the elderly and annually donate over £4,000 to this cause.

The desirability of the company maintaining a reputation for high standards of business conduct

The Company has a longstanding commitment to compliance, conformity and certification, to ensure that the products that are supplied into the market are of the highest standard.

The board exercises strong oversight over the Group's activities in these areas including reviewing the work of the compliance and ethics team, Beeswift is a member of the Ethical Trading Initiative (ETI) which promotes respect for workers' rights around the globe. The compliance and ethics team audit our suppliers to ensure they adhere to the ETI and the company's code of ethics. The Company's CEO sits as a non-executive director on the Boards of both the ETI and the British Safety Industry Federation.

The need to act fairly as between members of the company

The Company only has one shareholder, Gerber Goldschmidt Group (UK) Limited

Engagement with stakeholders

The Company's Directors, and employees at all levels of the business, are in constant communication with their counterparts from customers, suppliers and partners. Key issues are escalated to the Company's Board of Directors.

Effect of the Company's decisions and strategies during the financial year

The impact and effects of the Director's decisions are described in the Strategic Report, in particular the Business Review section.

This report was approved by the board on 29th April 2021 and signed on its behalf.



**D J Griffin FCA
Director**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEESWIFT LIMITED

Opinion

We have audited the financial statements of Beeswift Limited (the "Company") for the year ended 30 September 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, directors report and strategic report and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 30 September 2020 and of its profit for the year then ended;
- : have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- : have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statement in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- : the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or,
- : the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Directors report and financial statements other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- : the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEESWIFT LIMITED (Continued)

Matters on which we are required to report by exception

In 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 and directors' report.

We have nothing to report in respect of the following matters where 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' report, the Statement of Directors Responsibilities, 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 the 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 relating 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.

Auditors responsibilities for the audit of the financial statements

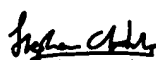
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's website at : <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 auditor's 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.

Date :- 29 April 2021



Stephen Hale (senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor.

BDO LLP, Two Snowhill
Birmingham B4 6GA

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

BEESWIFT LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Note	2020 £	2019 £
TURNOVER	3	97,105,085	53,618,621
Cost of Sales		(69,341,893)	(43,982,784)
GROSS PROFIT		<u>27,763,192</u>	<u>9,635,837</u>
Administrative expenses		(12,420,383)	(7,531,057)
OPERATING PROFIT	4	<u>15,342,809</u>	<u>2,104,780</u>
Interest payable	7	(151,628)	(187,276)
PROFIT BEFORE TAX		<u>15,191,181</u>	<u>1,917,504</u>
Tax on profit	8	(2,868,500)	(369,477)
PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>12,322,681</u></u>	<u><u>1,548,027</u></u>

None of the company's activities were acquired or discontinued during the current or previous years.

The Accounting Policies and Notes on pages 12 to 22 form part of these Accounts.

BEESSWIFT LIMITED
**STATEMENT OF FINANCIAL POSITION
AT 30 SEPTEMBER 2020**

	Note	2020 £	2019 £
FIXED ASSETS			
Intangible Assets	10	96,675	80,182
Tangible assets	11	1,594,797	288,237
Fixed asset investments	12	349,924	349,924
CURRENT ASSETS			
Stocks	13	17,572,699	13,345,716
Debtors	14	16,821,064	11,508,279
Cash at bank and in hand		1,343,499	18,422
		<u>35,737,262</u>	<u>24,872,417</u>
CREDITORS			
Amounts falling due within one year	15	(18,418,180)	(12,277,963)
		<u></u>	<u></u>
NET CURRENT ASSETS		17,319,082	12,594,454
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>19,360,478</u>	<u>13,312,797</u>
CAPITAL AND RESERVES			
Called up share capital	17	500,000	500,000
Profit and loss account	18	18,860,478	12,812,797
SHAREHOLDER'S FUNDS		<u>19,360,478</u>	<u>13,312,797</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29th April 2021

L M Giles



)

) Directors

D J Griffin FCA



)

Company registration number 01569085

The Accounting Policies and Notes on pages 12 to 22 form part of these Accounts.

BEESWIFT LIMITED
**STATEMENT OF CHANGES IN EQUITY
AT 30 SEPTEMBER 2020**

	Note	Share Capital £	Retained Earnings £	Total Equity £
At 1 October 2019		500,000	12,812,797	13,312,797
Comprehensive income for the year				
Profit for the year		-	12,322,681	12,322,681
Total comprehensive income for the year		-	12,322,681	12,322,681
Contributions by and distributions to owners				
Dividends: Equity capital	9	-	(6,275,000)	(6,275,000)
Total transactions with owners		-	(6,275,000)	(6,275,000)
At 30 September 2020		500,000	18,860,478	19,360,478

**STATEMENT OF CHANGES IN EQUITY
AT 30 SEPTEMBER 2019**

		Share Capital £	Retained Earnings £	Total Equity £
At 1 October 2018		500,000	12,464,770	12,964,770
Comprehensive income for the year				
Profit for the year		-	1,548,027	1,548,027
Total comprehensive income for the year		-	1,548,027	1,548,027
Contributions by and distributions to owners				
Dividends: Equity capital	9	-	(1,200,000)	(1,200,000)
Total transactions with owners		-	(1,200,000)	(1,200,000)
At 30 September 2019		500,000	12,812,797	13,312,797

The Accounting Policies and Notes on pages 12 to 22 form part of these Accounts.

BEESWIFT LIMITED

1. ACCOUNTING POLICIES

1.01 Basis of preparation of financial statements

Beeswift Limited is a company incorporated in England and Wales under the companies act (company number 01569085).

The address of the registered office is Unit 1 The Hub, Nobel Way, Witton, Birmingham, B6 7EU.

The principal activity of the company is that of worldwide dealing in garment and textile products, in particular the wholesale distribution of protective clothing, safety wear and related equipment.

The financial statements have been prepared under the historical cost convention and are in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. The financial statements are presented in Sterling (GBP) as that is the primary economic environment in which the company operates.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Company management to exercise judgement in applying the Company's accounting policies (see Note 2).

1.02 Consolidated financial statements

The financial statements contain information about Beeswift Limited as an individual company and do not contain consolidated financial information as the parent of the group. The company has taken advantage of the exemption conferred by section 400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the accounts of a larger group.

1.03 Cash flow statements

The Company has taken advantage of the exemption conferred by FRS 102 not to prepare a cash flow statement on the grounds that the company is a qualifying entity and is a member of the group headed by GGG Holdings Cooperatief U.A. and the company is included in consolidated financial statements, which includes a cash flow statement.

1.04 Revenue

Revenue from the sales of goods 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, loyalty bonuses, Value Added Tax and any 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;
- : the costs incurred or to be incurred in the transaction can be measured reliably.

1.05 Intangible fixed assets

Intangible fixed assets relate to product certifications and are stated at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated by applying the straight line method to the length of the product certification.

1.06 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes the original purchase price, 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, dismantling and restoration costs.

BEESWIFT LIMITED

ACCOUNTING POLICIES (continued)

1.07 Depreciation and residual values

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.

The estimated useful lives range as follows:

Leasehold Improvements	Straight line over period from acquisition until date of the break period.
I.T. Equipment	Straight line over 2-5 years
Plant and Equipment	Straight line over 4 - 10 years
Motor Vehicles	Straight line over 3 years

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.

Derecognition

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

1.08 Investments

Fixed assets investments are stated at cost less any provision for impairment in value.

1.09 Operating leases

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

1.10 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.

At each reporting 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 the statement of comprehensive income.

1.11 Debtors

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

At each reporting date, trade debtors are assessed for recoverability. If there is any evidence of impairment, the carrying amount is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

1.12 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 accounts receivable or payable and overdraft facilities from banks.

1.13 Creditors

Short term creditors are measured at transaction price.

BEESWIFT LIMITED

ACCOUNTING POLICIES (continued)

1.14 Foreign currency translation

Functional and presentation currency

The Company's functional and presentation currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss.

Foreign exchange gains and losses that relate to borrowings and cash or cash equivalents are presented in profit or loss within finance income or costs. All other foreign exchange gains and losses are presented in profit and loss within 'administrative expenses'.

1.15 Dividends

Equity dividends are recognised when they become legally payable. Interim dividends are recognised when paid. Final equity dividends are recognised when approved by the Shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

1.16 Research and development costs

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefit and therefore all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their expected useful economic lives, which range from 3 to 6 years. The expected useful economic life of development costs are estimated based on business plans which set out the development plan and time to market for the associated project. If it is not possible to distinguish between the research phase and the development phase of an internal project the expenditure is treated as if it were all incurred in the research phase only.

1.17 Pensions

Defined contribution pension plan

The Company operates a defined contribution pension 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 profit and loss account 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.

1.18 Borrowing costs

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

BEESWIFT LIMITED

ACCOUNTING POLICIES (continued)

1.19 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit and loss except that a change 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 reporting date in the country where the Company operates and generates taxable income.

Deferred balances are recognised in respect of all material timing differences that have originated but not reversed by the balance sheet date, except

: 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;

: Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

1.20 Holiday pay accrual

A liability is recognised to the extent of any unused paid holiday entitlement which has been accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 1, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 revisions affects only that period, or in the period of the revisions and future periods if the revisions affects both current and future periods.

The key judgements, estimates and assumptions are:

Stock - At each reporting 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 the statement of comprehensive income.

Debtors - At each reporting date, trade debtors are assessed for impairment. If there is evidence of impairment, the carrying amount is reduced to its recoverable amount. The impairment loss is recognised immediately in the statement of comprehensive income.

Funding and Going Concern

Historically, the Company has been funded by cash flows generated from trading and a facility from its bankers. The funding is based on a combined percentage of trade debtors and inventory. The facility, which was updated in February 2021, is subject to routine annual renewal in November 2021. Although the renewal of facilities presents some uncertainty, based on discussions with the bank and given the expected financial performance of the business, the company directors are comfortable that the facility of £18m will continue to be available for at least the period to 30th April 2022.

The directors have prepared a detailed profit and cash flow forecast ("the forecast") for the period to 30th April 2022 ("the period") which shows the Company trading, financial position, cash flows and expected available financing facilities for the period. The forecast shows that the Company will be able to operate and meet its external liabilities as they fall due for payment during the period and the funding provided from its expected facilities. The forecast also shows that the Company will continue to meet its covenant requirements during the period.

BEESWIFT LIMITED

ACCOUNTING POLICIES (continued)

Funding and Going Concern

In the preparation of the forecast and these financial statements the directors have considered the impact of Covid19 and consider that the risk and impact on the Company is difficult to assess at this stage of the pandemic even though lock-downs have eased throughout the UK and other key markets for its principal customers. However, it is noted that (1) the timing of the return to more normal trading and revenue generation is not clear at this stage; (2) there remains the risk of returning to lock-down (nationally or regionally) that could further impact revenues and (3) there is a difficulty in forecasting during a period of such significant change with key impacts not yet fully known.

As a direct result of Covid-19 there has been a sharp increase in the demand for personal protective equipment ("PPE"). As the company is well situated in this market and has been able to meet increased short terms demands of the UK economy with regard to PPE the forecasts predict a stable revenue base in the long term.

The base case assessment shown by the forecast is that a potential risk to the Company is whether there would be a requirement to utilise a larger proportion of the financing facility as a result of having to make significant advance payments to suppliers in connection with the procurement of goods, but the stabilisation of the supply chain for PPE has lessened the risk and the company has successfully navigated the period when this was more prevalent.

The actual results for October 2020 - February 2021 showed an increase in revenue year on year. In broad terms the forecast assumes that revenues will then decrease year on year from April onwards up until September 2021 when it is expected that revenues will be broadly in line with that experienced from October 2020.

As noted above the financing facility is based on the value of trade debtors and inventory which could be significantly reduced if trading is impacted by Covid-19 and/or the timing of the major deliveries are delayed. If the asset base is reduced the trade financing funding to the Company will be reduced.

The directors have considered a stress test scenario that considers significantly reduced sales activity (equivalent to annualised sales below 2019 levels) which shows considerable headroom on existing facilities as working capital levels are expected to be lower. Whilst the directors do not expect that this position will be reached it has helped inform the directors assessment, including management of reduced activity if facility levels were reduced.

After careful consideration of the above factors and other factors connected to the impact of Covid19 on the Company the directors remain of the view that the forecast is achievable, that the available funding from its bank facility will continue in place throughout the period and that the headroom within the forecast is sufficient to enable the Company to operate and meet its liabilities as they fall due for payment throughout the period. On this basis the directors consider that it is appropriate to prepare the financial statements on the going concern basis.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	2020 £	2019 £
3 TURNOVER		
Segmental analysis by geographical area		
United Kingdom	83,312,135	43,371,189
Rest of Europe	11,494,154	8,367,817
Rest of World	2,298,796	1,879,615
	<u>97,105,085</u>	<u>53,618,621</u>

4 OPERATING PROFIT

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

Research and development costs current year's expenditure	127,637	163,514
Fees payable to the company's auditor for the audit of the company's annual accounts	29,750	18,000
Fees payable to the company's auditor for other services		
- tax compliance	6,700	6,700
Exchange differences	(1,086,856)	(347,472)
Amortisation of Intangible Fixed Assets	22,350	5,559
Depreciation of Tangible Fixed Assets	215,826	200,201
Defined contribution pension cost	725,758	404,177
	<u></u>	<u></u>

5 EMPLOYEES

Staff costs including directors' remuneration consist of:

Wages and Salaries	9,160,511	4,394,915
Social Security Costs	1,098,314	442,380
Defined contribution pension cost (see note 20)	725,758	404,177
	<u>10,984,583</u>	<u>5,241,472</u>

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

	Number	Number
Administration	35	34
Distribution	72	66
Selling and marketing	40	35
	<u>147</u>	<u>135</u>

6 DIRECTORS' REMUNERATION

Directors' emoluments	4,505,594	946,392
Company pension contributions to defined contribution pension scheme.	35,600	37,685
	<u>4,541,194</u>	<u>984,077</u>

During the year, retirement benefits were accruing to 4 directors (2019 - 4) in respect of defined contribution pension schemes.

Emoluments of the highest paid director were £ 1,771,576 (2019 - £ 337,181). Company pension contributions of £ 9,400 (2019 £ 10,000) were made to a money purchase scheme on his behalf.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

	2020 £	2019 £
7 INTEREST PAYABLE AND SIMILAR CHARGES		
Bank interest payable	<u>151,628</u>	<u>187,276</u>
8 TAXATION		
UK Corporation Tax		
Current tax on profits for the year	2,794,729	369,887
Additional deduction for R&D expenditure	(27,403)	(28,320)
Adjustment for prior years	(336)	29,558
	<u>2,766,990</u>	<u>371,125</u>
Total current tax		
Deferred Tax		
Origination and reversal of timing differences	101,279	(1,648)
Adjustments in respect of prior periods	-	-
Effect of tax rate change on opening balance	231	-
	<u>101,510</u>	<u>(1,648)</u>
Taxation on profit on ordinary activities	<u>2,868,500</u>	<u>369,477</u>
Factors affecting the tax charge for the year		
The tax assessed on the profit on ordinary activities for the period is different from the standard rate of Corporation Tax in the UK of 19.0% (2019 - 19.0%). The differences are explained below.		
Profit on ordinary activities before taxation	<u>15,191,181</u>	<u>1,917,504</u>
Profit on ordinary activities before taxation, multiplied by standard rate of UK Corporation tax of 19.0% (2018 - 19.0%)	2,886,324	364,326
Effects of:-		
Expenses not deductible for tax purposes	9,684	3,719
Additional deduction for R&D expenditure	(27,403)	(28,320)
Adjustments in respect of prior periods	(336)	29,558
Adjustments in respect of prior periods - deferred tax	-	-
Adjust closing deferred tax to average rate of 19.00%	-	(231)
Adjust opening deferred tax to average rate of 19.00%	231	425
	<u>(17,824)</u>	<u>5,151</u>
Total Tax	<u>2,868,500</u>	<u>369,477</u>
The deferred tax liability consists of:		
Accelerated capital allowances	181,120	5,398
Other timing differences	(77,644)	(3,432)
Undiscounted net deferred tax liability	<u>103,476</u>	<u>1,966</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

	2020 £	2019 £
9 DIVIDENDS		
Dividends paid on equity capital at £12.55 per share (2019: £2.40).	<u>6,275,000</u>	<u>1,200,000</u>

10 INTANGIBLE FIXED ASSETS

	Website £	Product Certification £	Totals £
Cost			
At 1 October 2019	-	85,741	85,741
Additions	5,063	33,780	38,843
Disposals	-	-	-
 At 30 September 2020	<u>5,063</u>	<u>119,521</u>	<u>124,584</u>
 Depreciation			
At 1 October 2019	-	5,559	5,559
Charge for the year	-	22,350	22,350
Eliminated on disposal	-	-	-
 At 30 September 2020	<u>-</u>	<u>27,909</u>	<u>27,909</u>
 Net Book Values			
At 30 September 2020	<u>5,063</u>	<u>91,612</u>	<u>96,675</u>
 At 30 September 2019	<u>-</u>	<u>80,182</u>	<u>80,182</u>

11 TANGIBLE FIXED ASSETS

	Leasehold Improve- ments £	Plant and Equipment £	Motor Vehicles £	Totals £
Cost				
At 1 October 2019	345,927	1,307,411	394,985	2,048,323
Additions	1,011,726	361,997	148,665	1,522,388
Disposals	-		(47,238)	(47,238)
 At 30 September 2020	<u>1,357,653</u>	<u>1,669,408</u>	<u>496,412</u>	<u>3,523,473</u>
 Depreciation				
At 1 October 2019	345,898	1,175,720	238,468	1,760,086
Charge for the year	3,911	99,751	112,164	215,826
Eliminated on disposal	-		(47,236)	(47,236)
 At 30 September 2020	<u>349,809</u>	<u>1,275,471</u>	<u>303,396</u>	<u>1,928,676</u>
 Net Book Values				
At 30 September 2020	<u>1,007,844</u>	<u>393,937</u>	<u>193,016</u>	<u>1,594,797</u>
 At 30 September 2019	<u>29</u>	<u>131,691</u>	<u>156,517</u>	<u>288,237</u>

Leasehold improvements include fixtures and fittings relating to warehouse racking and building fit outs and modifications.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

12 FIXED ASSET INVESTMENTS

	2020 £	2019 £
	Group undertakings £	Group undertakings £
Cost		
At 1 October 2019	<u>349,924</u>	<u>349,934</u>

In the opinion of the directors, the aggregate value of the company's realisable investment in subsidiary undertakings is not less than the amount included in the balance sheet.

The undertakings in which the company's interest at the year end is 20% or more are as follows:

Name Subsidiary undertakings	Country of incorpora- tion	Proportion of voting rights and ordinary share capital held	Nature of business
Beeswift BV	Netherlands	100%	Wholesale of garments and textiles

The address of the registered office is Beeswift BV, Twekkeler ES 32, 7547 SM, Enschede, Netherlands

13 STOCKS

Finished goods and goods for resale	<u>17,572,699</u>	<u>13,345,716</u>
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Stock recognised in cost of sales during the year as an expense was £ 66,860,601 (2019 - £ 41,548,220)

An impairment loss of £ 846,122 (2019 - £ 87,521) was recognised in cost of sales against stock during the year due to slow moving and obsolete stock.

The provision made against gross stock was £ 762,141 (2019 - £ 14,895)

There is no material difference between replacement cost of stock and the amount stated above.

14 DEBTORS

Trade Debtors	11,700,394	10,094,478
Amounts owed by group undertakings	2,722,981	1,009,068
Prepayments	2,377,218	374,644
Other Debtors	20,471	30,089
	<u>16,821,064</u>	<u>11,508,279</u>

All amounts shown under Debtors fall due for payment within one year. Prepayments includes deposits made in respect of stock purchases.

The bad debt provision made against gross debtors was £ NIL (2019 £ 459). The company writes off debts when it is believed that they are bad or doubtful. The provision made against gross debtors reflects those that have become apparent since the year end.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

	2020 £	2019 £
15 CREDITORS: Amounts falling due within one year		
Bank Overdraft (secured)	-	8,230,745
Trade Creditors	4,799,113	1,859,697
Amounts owed to Parent Undertaking	5,512,075	12,075
Taxation and Social Security	300,020	568,302
Corporation Tax	1,030,467	223,147
Other creditors	-	110,586
Accruals and deferred income	6,776,505	1,273,411
	<u>18,418,180</u>	<u>12,277,963</u>

The bank overdraft is secured by a fixed and floating charge over the company's assets and undertakings dated 15th April 2016.

16 FINANCIAL INSTRUMENTS

Financial assets

Financial instruments that are debt instruments measured at amortised cost

<u>15,787,345</u>	<u>11,121,968</u>
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Financial liabilities

Financial liabilities measured at amortised cost

<u>17,087,693</u>	<u>11,486,514</u>
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Financial assets measured at amortised cost comprise, cash, trade debtors and amounts owed by group undertakings and other debtors.

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

17 SHARE CAPITAL

Allotted, called up and fully paid
500,000 Ordinary shares of £1 each.

<u>500,000</u>	<u>500,000</u>
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Called up share capital represents the nominal value of shares issued.

18 RESERVES

Profit and loss account

Includes all current and prior periods retained profits and losses.

19 CONTINGENT LIABILITIES

The Company has a bank guarantee to HM Revenue & Customs in respect of Import Duty liabilities of a maximum of £ 750,000 (2019 - £ 500,000).

Included in creditors is contingent consideration of £ NIL in respect of the Beeswift BV acquisition in 2018 (2019-£ 110,585).

20 PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £ 445,780 (2019 £ 404,177). Contributions amounting to £ 308,653 (2019 £ 20,190) were payable to the fund at the year end and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020
(Continued)**

21 COMMITMENTS UNDER OPERATING LEASES

At 30 September 2020 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Land and Buildings		
Not later than one year	215,625	239,583
Later than one year and not later than 5 years	3,022,583	-
More than 5 years	4,723,408	-
	<u>7,961,616</u>	<u>239,583</u>

22 RELATED PARTY TRANSACTIONS

The company is a wholly owned subsidiary of Gerber Global Capital LLC and has taken advantage of the exemption conferred by Financial Reporting Standard 102, section 33, not to disclose transactions with Gerber Global Capital LLC or other wholly owned subsidiaries within the group.

Key management personnel include all directors of the company. The total compensation paid to the directors is disclosed in note 6. The directors do not consider any other personnel to be classed as key management. The directors have authority and responsibility for planning, directing and controlling the activities of the company.

23 CONTROLLING PARTY

The ultimate controlling party of the Company is Gerber Global Capital LLC.

24 PARENT AND ULTIMATE PARENT UNDERTAKING

The ultimate parent undertaking is Gerber Global Capital LLC Incorporated in the United States of America. The only group of undertakings for which group accounts are drawn up is GGG Holdings Cooperatief U.A. Incorporated in the Netherlands and copies of the group accounts can be obtained from Postbox 29718, 2502 LS, The Hague, Netherlands.

25 POST BALANCE SHEET EVENTS

The company has invested over £2.3m since the year end on Leasehold Improvements and Plant and Machinery for its move to new premises.