

Company Registration No. 05990630 (England and Wales)

BAW (HOLDINGS) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

BAW (HOLDINGS) LIMITED

COMPANY INFORMATION

Directors	J Bysouth-Kemp P J Bysouth-Kemp
Secretary	J Bysouth-Kemp
Company number	05990630
Registered office	Units 1 & 2 Bunny Trading Estate Gotham Lane Bunny Nottingham NG11 6QJ
Auditor	UHY Hacker Young 14 Park Row Nottingham NG1 6GR
Business address	Units 1 & 2 Bunny Trading Estate Gotham Lane Bunny Nottingham NG11 6QJ

BAW (HOLDINGS) LIMITED**CONTENTS**

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 7
Group statement of comprehensive income	8
Group balance sheet	9
Company balance sheet	10
Group statement of changes in equity	11
Company statement of changes in equity	12
Group statement of cash flows	13
Notes to the financial statements	14 - 29

BAW (HOLDINGS) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JULY 2021

The directors present the strategic report for the year ended 31 July 2021.

Fair review of the business

The results for the year and financial position of the group are shown in the attached financial statements.

As shown in the company's profit and loss account, the company's turnover has increased by 56% to £50,517,682 (2020 - £32,330,742). This increase is due to increased demand on online purchasing due to the restrictions of COVID-19.

Principal risks and uncertainties

Financial risks are considered low because of strong profitability, a cash generative base and because the group is able to insure against material financial risks.

Liquidity risk is mitigated due to the company's strong cash flow and a good earnings visibility ensures that its margins are sufficient to exceed operating costs. The group does not have any external bank borrowings or other external financing.

The group is reliant on its main suppliers to supply the business with products at a competitive price. As the group operates in a competitive market, it is also at risk from competitors reducing their selling prices. The group mitigates this risk by continuing to strengthen relationships with key suppliers and thus to maintain a good supply of products.

Key performance indicators

The company's main key performance indicator is retaining the level of gross margin versus sales price. In the current year, gross margin has remained fairly consistent at 27.1% (2020 - 27.5%).

On behalf of the board

P J Bysouth-Kemp

Director

9 February 2022

BAW (HOLDINGS) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JULY 2021

The directors present their annual report and financial statements for the year ended 31 July 2021.

Principal activities

The principal activity of the company and group continued to be that of kitchen appliance sales.

Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £7,000,000 (2020 - £7,000,000). The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

J Bysouth-Kemp

P J Bysouth-Kemp

Auditor

UIY Hacker Young were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 group and company, and of the profit or loss of the group 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 Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

BAW (HOLDINGS) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually 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 auditor of the company is aware of that information.

On behalf of the board

P J Bysouth-Kemp
Director

9 February 2022

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF BAW (HOLDINGS) LIMITED**

Opinion

We have audited the financial statements of BAW (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 FRS *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 group's and the parent company's affairs as at 31 July 2021 and of the group's 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 statements 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

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 group's and parent 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BAW (HOLDINGS) LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BAW (HOLDINGS) LIMITED

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent 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.

Auditor's 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.

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.

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Group, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included:

- review of the financial statement disclosures to underlying supporting documentation
- enquiries of management and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF BAW (HOLDINGS) LIMITED

A further description of our responsibilities is available on 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.

Andrew Timms (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young

9 February 2022

Chartered Accountants
Statutory Auditor

BAW (HOLDINGS) LIMITED**GROUP STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 JULY 2021**

		2021	2020
	Notes	£	£
Turnover	3	50,517,682	32,330,742
Cost of sales		(36,827,724)	(23,419,998)
Gross profit		<u>13,689,958</u>	<u>8,910,744</u>
Distribution costs		(1,184,963)	(882,878)
Administrative expenses		(2,756,786)	(2,271,058)
Operating profit	4	<u>9,748,209</u>	<u>5,756,808</u>
Interest receivable and similar income	7	<u>1,000</u>	<u>15,625</u>
Profit before taxation		<u>9,749,209</u>	<u>5,772,433</u>
Tax on profit	8	(1,857,652)	(1,098,997)
Profit for the financial year		<u><u>7,891,557</u></u>	<u><u>4,673,436</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

BAW (HOLDINGS) LIMITED**GROUP BALANCE SHEET****AS AT 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		52,856		52,626
Investments	10		1		1
			<u>52,857</u>		<u>52,627</u>
Current assets					
Stocks	13	4,959,184		4,116,097	
Debtors	14	952,687		888,658	
Cash at bank and in hand		5,436,632		5,887,580	
		<u>11,348,503</u>		<u>10,892,335</u>	
Creditors: amounts falling due within one year	15	(6,259,898)		(6,698,226)	
Net current assets			<u>5,088,605</u>		<u>4,194,109</u>
Total assets less current liabilities			<u>5,141,462</u>		<u>4,246,736</u>
Provisions for liabilities					
Deferred tax liability	17	12,584		9,415	
		<u>(12,584)</u>		<u>(9,415)</u>	
Net assets			<u><u>5,128,878</u></u>		<u><u>4,237,321</u></u>
Capital and reserves					
Called up share capital	19		500		500
Other reserves			501		501
Profit and loss reserves			5,127,877		4,236,320
Total equity			<u><u>5,128,878</u></u>		<u><u>4,237,321</u></u>

The financial statements were approved by the board of directors and authorised for issue on 9 February 2022 and are signed on its behalf by:

P J Bysouth-Kemp
Director

BAW (HOLDINGS) LIMITED
COMPANY BALANCE SHEET
AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	10		500		500
Current assets					
Debtors	14	1,209,869		1,209,869	
Creditors: amounts falling due within one year	15	<u>(1,007,410)</u>		<u>(1,007,410)</u>	
Net current assets			<u>202,459</u>		<u>202,459</u>
Net assets			<u><u>202,959</u></u>		<u><u>202,959</u></u>
Capital and reserves					
Called up share capital	19		500		500
Profit and loss reserves			<u>202,459</u>		<u>202,459</u>
Total equity			<u><u>202,959</u></u>		<u><u>202,959</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2020 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 9 February 2022 and are signed on its behalf by:

P J Bysouth-Kemp
Director

Company Registration No. 05990630

BAW (HOLDINGS) LIMITED**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Share capital	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 August 2019	500	501	6,562,884	6,563,885
Year ended 31 July 2020:				
Profit and total comprehensive income for the year	-	-	4,673,436	4,673,436
Dividends	-	-	(7,000,000)	(7,000,000)
Balance at 31 July 2020	500	501	4,236,320	4,237,321
Year ended 31 July 2021:				
Profit and total comprehensive income for the year	-	-	7,891,557	7,891,557
Dividends	-	-	(7,000,000)	(7,000,000)
Balance at 31 July 2021	500	501	5,127,877	5,128,878

BAW (HOLDINGS) LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JULY 2021**

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 August 2019	500	202,459	202,959
Year ended 31 July 2020:			
Profit and total comprehensive income for the year	-	-	-
Balance at 31 July 2020	500	202,459	202,959
Year ended 31 July 2021:			
Profit and total comprehensive income for the year	-	-	-
Balance at 31 July 2021	500	202,459	202,959

BAW (HOLDINGS) LIMITED**GROUP STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 JULY 2021**

		2021		2020	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from operations	23	8,103,269		7,979,183	
Income taxes paid		(1,540,628)		(1,170,168)	
Net cash inflow from operating activities		6,562,641		6,809,015	
Investing activities					
Purchase of tangible fixed assets		(14,589)		-	
Interest received		1,000		15,625	
Net cash (used in)/generated from investing activities		(13,589)		15,625	
Financing activities					
Dividends paid to equity shareholders		(7,000,000)		(7,000,000)	
Net cash used in financing activities		(7,000,000)		(7,000,000)	
Net decrease in cash and cash equivalents		(450,948)		(175,360)	
Cash and cash equivalents at beginning of year		5,887,580		6,062,940	
Cash and cash equivalents at end of year		5,436,632		5,887,580	

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

Company information

BAW (Holdings) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Units 1 & 2, Bunny Trading Estate, Gotham Lane, Bunny, Nottingham, NG11 6QJ.

The group consists of BAW (Holdings) Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

The consolidated group financial statements consist of the financial statements of the parent company BAW (Holdings) Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 July 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured at fair value of the consideration received or receivable excluding discounts, rebates, VAT and other sales taxes. The following criteria must also be met before turnover is recognised:

Sales of goods

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

- the group has transferred the significant risks and rewards of ownership to the buyer;
- the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the group 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.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Not depreciated
Plant and equipment	15% straight line
Fixtures and fittings	10%-15% straight line
Computers	3 years straight line
Motor vehicles	15% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell. Cost comprises direct materials and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are recognised initially at transaction price.

1.12 Equity instruments

Share capital issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on share capital are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****2 Judgements and key sources of estimation uncertainty****(Continued)****Carrying value of stocks**

The directors review the finished goods costs on a quarterly basis. The stock is then revalued to ensure it is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stocks. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the group's products and achievable selling prices.

Provisions

A provision is recognised when the company present legal or constructive obligation as a result of past events for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

Whether a present obligation is probable or not requires judgment. The nature and type of risks for these provisions differ and the directors' judgment is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not. External advice is sought where appropriate.

Rebates receivable

The group enters various rebate agreements with suppliers. Supplier rebate income affects the recorded value of cost of sales, trade creditors and stock. The amounts receivable under rebate agreements are often subject to negotiation after the balance sheet date. A number of agreements are non-coterminous with the group's financial year, requiring judgment over the level of future purchases. At the balance sheet date, the directors make judgments on the amount of rebate that will become due to the group under these agreements based upon prices, volumes and product mix.

3 Turnover and other revenue

The whole of turnover is attributable to the group's principal activity.

All turnover arose within the United Kingdom.

	2021	2020
	£	£
Other significant revenue		
Interest income	1,000	15,625
	<u> </u>	<u> </u>

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****4 Operating profit**

	2021	2020
	£	£
Operating profit for the year is stated after charging:		
Exchange differences	2,121	69
Research and development costs	-	36,035
Depreciation of owned tangible fixed assets	14,359	15,369
(Profit)/loss on disposal of tangible fixed assets	-	825
Operating lease charges	166,009	124,020
	=====	=====

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	2,000	2,000
Audit of the financial statements of the company's subsidiaries	11,750	11,750
	=====	=====
	13,750	13,750

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group		Company	
	2021	2020	2021	2020
	Number	Number	Number	Number
Management	10	13	2	2
Administration	10	12	-	-
Distribution	33	30	-	-
	=====	=====	=====	=====
Total	53	55	2	2

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****6 Employees (Continued)**

Their aggregate remuneration comprised:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	1,926,599	1,384,067	-	-
Social security costs	193,143	150,068	-	-
Pension costs	34,584	37,361	-	-
	<u>2,154,326</u>	<u>1,571,496</u>	<u>-</u>	<u>-</u>

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	1,000	15,625
	<u>1,000</u>	<u>15,625</u>

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	1,000	15,625
	<u>1,000</u>	<u>15,625</u>

8 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	1,854,483	1,100,644
	<u>1,854,483</u>	<u>1,100,644</u>
Deferred tax		
Origination and reversal of timing differences	3,169	(1,647)
	<u>3,169</u>	<u>(1,647)</u>
Total tax charge	<u>1,857,652</u>	<u>1,098,997</u>

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****8 Taxation****(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit before taxation	9,749,209	5,772,433
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	1,852,350	1,096,762
Tax effect of expenses that are not deductible in determining taxable profit	2,843	2,586
Permanent capital allowances in excess of depreciation	(514)	1,460
Adjustments for deferred tax rates	2,973	(1,811)
Taxation charge	1,857,652	1,098,997

9 Tangible fixed assets

Group	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 August 2020	18,509	46,654	62,037	40,094	25,500	192,794
Additions	-	4,750	8,574	1,265	-	14,589
At 31 July 2021	18,509	51,404	70,611	41,359	25,500	207,383
Depreciation and impairment						
At 1 August 2020	-	40,363	48,682	39,648	11,475	140,168
Depreciation charged in the year	-	4,304	5,502	728	3,825	14,359
At 31 July 2021	-	44,667	54,184	40,376	15,300	154,527
Carrying amount						
At 31 July 2021	18,509	6,737	16,427	983	10,200	52,856
At 31 July 2020	18,509	6,291	13,355	446	14,025	52,626

The company had no tangible fixed assets at 31 July 2021 or 31 July 2020.

BAW (HOLDINGS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

10 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	11	-	-	500	500
Unlisted investments		1	1	-	-
		<u>1</u>	<u>1</u>	<u>500</u>	<u>500</u>
		<u><u>1</u></u>	<u><u>1</u></u>	<u><u>500</u></u>	<u><u>500</u></u>

Movements in fixed asset investments

Group

**Investments
£**

Cost or valuation

At 1 August 2020 and 31 July 2021

1,191,559

Impairment

At 1 August 2020 and 31 July 2021

1,191,558

Carrying amount

At 31 July 2021

1

At 31 July 2020

1

Movements in fixed asset investments

Company

**Shares in
subsidiaries
£**

Cost or valuation

At 1 August 2020 and 31 July 2021

500

Carrying amount

At 31 July 2021

500

At 31 July 2020

500

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****11 Subsidiaries**

Details of the company's subsidiaries at 31 July 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of	% Held
			shares held	Direct
Bunny Appliance Warehouse Ltd	England & Wales	Sale of domestic appliances and fittings	Ordinary 'A' Shares	100

Bunny Appliance Warehouse Ltd shares the same registered office as shown on the company information page.

12 Financial instruments

	Group 2021 £	2020 £	Company 2021 £	2020 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	79,984	70,253	1,209,869	1,209,869
Equity instruments measured at cost less impairment	1	1	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	4,515,067	5,710,948	1,007,410	1,007,410
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

13 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	4,959,184	4,116,097	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****14 Debtors**

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	32,912	61,941	-	-
Amounts owed by undertakings in which the company has a participating interest	-	-	1,209,869	1,209,869
Other debtors	47,072	8,312	-	-
Prepayments and accrued income	872,703	818,405	-	-
	<u>952,687</u>	<u>888,658</u>	<u>1,209,869</u>	<u>1,209,869</u>

15 Creditors: amounts falling due within one year

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Deposits received on account		878,063	872,759	-	-
Preference shares	16	1,000,000	1,000,000	1,000,000	1,000,000
Trade creditors		2,219,996	3,482,750	-	-
Corporation tax payable		914,482	600,627	-	-
Other taxation and social security		830,349	386,651	-	-
Other creditors		281,627	104,221	7,410	7,410
Accruals and deferred income		135,381	251,218	-	-
		<u>6,259,898</u>	<u>6,698,226</u>	<u>1,007,410</u>	<u>1,007,410</u>

16 Preference shares

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Preference shares	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Payable within one year	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****16 Preference shares****(Continued)**

The rights attaching to the preference shares are as follows:

These shares are redeemable on the option of the holders. Shares can be redeemed at any time providing notice of not less than 25 business days is given in writing.

Dividends are subject to the board recommending payment of any available profits which the company may determine to distribute in respect of any financial year.

On a return of assets on liquidation or otherwise the assets of the company remaining after the payment of its liabilities shall be applied first to repaying the holders of the redeemable preference shares an amount equal to the nominal value of the shares and a sum equal to any arrears of accrued dividends. If there is a short fall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders on a pro-rata basis, therefore the balance (if any) shall be distributed amongst the ordinary shareholders.

The redeemable preference shares shall not confer on the holders thereof any right to received notice of or to be present or to vote either in person or by proxy at a general meeting of the company.

17 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

	Liabilities	Liabilities
	2021	2020
Group	£	£
Accelerated capital allowances	12,584	9,415
	<u> </u>	<u> </u>

The company has no deferred tax assets or liabilities.

	Group	Company
	2021	2021
Movements in the year:	£	£
Liability at 1 August 2020	9,415	-
Charge to profit or loss	3,169	-
	<u> </u>	<u> </u>
Liability at 31 July 2021	12,584	-
	<u> </u>	<u> </u>

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****18 Retirement benefit schemes**

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	34,584	37,361
	<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund. Within other creditors, there is a defined pension scheme contribution due of £5,328 (2020 - £2,681).

19 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	500	500	500	500
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Operating lease commitments**Lessee**

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	49,312	153,796	-	-
Between two and five years	-	42,552	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	49,312	196,348	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The company had no commitments under the non-cancellable operating leases as at the balance sheet date.

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021****21 Related party transactions****Remuneration of key management personnel**

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	494,834	264,579

Other information

At the year end £32,218 (2020: £8,187) is included within other debtors and relates to costs paid by the company on behalf of the pension scheme, of which the directors of the company are trustees and beneficiaries. No interest is payable on this amount. During the previous financial year, rent was paid to the pension scheme which totalled £51,675. Following the sale of the property from which the company operates during the prior year to a company under common control, no further rents have been paid to the pension scheme.

At the year end £2,250 (2020: £1,301) was owed to a company under common control. Rental costs paid to this company totalled £166,029 (2020: £72,345).

Payroll expenses totalling £28,000 (2020: £28,000) were paid to close family members of directors during the year.

Pension expenses totalling £97,707 (2020: £79,469) were paid to directors during the year.

Dividends of £7,000,000 (2020: £7,000,000) were paid to Bucks Investments Limited during the year.

22 Controlling party

The group is controlled by its directors, J Bysouth-Kemp and P J Bysouth-Kemp.

BAW (HOLDINGS) LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 JULY 2021****23 Cash generated from group operations**

	2021	2020
	£	£
Profit for the year after tax	7,891,557	4,673,436
Adjustments for:		
Taxation charged	1,857,652	1,098,997
Investment income	(1,000)	(15,625)
(Gain)/loss on disposal of tangible fixed assets	-	825
Depreciation and impairment of tangible fixed assets	14,359	15,369
Movements in working capital:		
(Increase)/decrease in stocks	(843,087)	189,206
Increase in debtors	(64,029)	(67,702)
(Decrease)/increase in creditors	(752,183)	2,084,677
Cash generated from operations	<u>8,103,269</u>	<u>7,979,183</u>

24 Analysis of changes in net funds - group

	1 August 2020	Cash flows	31 July 2021
	£	£	£
Cash at bank and in hand	5,887,580	(450,948)	5,436,632
Preference shares	(1,000,000)	-	(1,000,000)
Deposits held on behalf of customers	(872,759)	(5,304)	(878,063)
	<u>4,014,821</u>	<u>(456,252)</u>	<u>3,558,569</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.