COMPANY REGISTRATION NUMBER: 08023858

Wolf Laundry Limited

Financial Statements

31 December 2020

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Wolf Laundry Limited

Officers and Professional Advisers

The board of directors	Mr DT Riley Mr TE Marder Mr M Keller Mr JA Brown
Registered office	Unit B8 Grove Park Springvale Road Grimethorpe Barnsley South Yorkshire S72 7BF
Auditor	Parsons Accountants Ltd Chartered Accountants & statutory auditor No. 2 Silkwood Office Park Fryers Way Wakefield WF5 9TJ

Wolf Laundry Limited

Directors' Report

Year ended 31 December 2020

The directors present their report and the financial statements of the company for the year ended 31 December 2020 .

Principal activities

The principal activity of the company during the year continued to be that of the sale, rental and maintenance of commercial laundry equipment.

Directors

The directors who served the company during the year were as follows:

Mr DT Riley

Mr TE Marder

Mr M Keller

Mr JA Brown

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 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 judgments and accounting estimates that are reasonable and prudent; - 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:
- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 24 May 2021 and signed on behalf of the board by:

Mr JA Brown

Director

Registered office:

Unit B8 Grove Park

Springvale Road Grimethorpe

Barnsley

South Yorkshire

S72 7BF

Qualified opinion

We have audited the financial statements of Wolf Laundry Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of income and retained earnings, statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In our opinion, except for the effects of the matter described in the basis for qualified opinion section of our report, the financial statements: - give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

With respect to the stock at 1 January 2019 having a carrying amount of £419,594 the audit evidence available to us was limited because an itemised stock listing was not available and we did not observe the counting of the physical stock as at 31 December 2018, since that date was prior to the appointment of an auditor of the company. Owing to the nature of the company's records, we were unable to obtain sufficient appropriate audit evidence regarding the stock valuation and quantities by using other audit procedures. Since the opening stock affects the financial result for the prior year, we are unable to determine whether adjustments might have been necessary in respect of the profit for the prior year reported in the Statement of Income and Retained Earnings.

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 qualified opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit; or - the directors were not entitled to take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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 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: - Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud; - Gaining an understanding of the internal controls established to mitigate risks related to fraud; - Discussing amongst the engagement team the risks of fraud; and - Addressing the risks of fraud through management override of controls by performing journal entry testing. As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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.

Ian William Parsons

(Senior Statutory Auditor)

For and on behalf of

Parsons Accountants Ltd

Chartered Accountants & statutory auditor

No. 2 Silkwood Office Park

Fryers Way

Wakefield

WF5 9TJ

24 May 2021

Wolf Laundry Limited

Statement of Income and Retained Earnings

Year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	**4**	4,406,121	3,109,909
Cost of sales		1,764,981	1,235,755
Gross profit		2,641,140	1,874,154
Distribution costs		137,713	128,789
Administrative expenses		2,161,087	1,547,960
Other operating income	**5**	108,741	–
Operating profit	**6**	451,081	197,405
Interest payable and similar expenses	**10**	45,438	12,840
Profit before taxation		405,643	184,565
Tax on profit	**11**	77,615	93,913
Profit for the financial year and total comprehensive income		328,028	90,652
Dividends paid and payable	**12**	(29,696)	–
Retained earnings at the start of the year		136,329	45,677
Retained earnings at the end of the year		434,661	136,329

All the activities of the company are from continuing operations.

Wolf Laundry Limited

Statement of Financial Position

31 December 2020

	Note	2020	2019
		£	£
Fixed assets			
Tangible assets	13	531,626	510,563
Current assets			
Stocks	14	951,636	722,872
Debtors	15	701,084	446,275
Cash at bank and in hand		353,783	100,595
		2,006,503	1,269,742
Creditors: amounts falling due within one year	16	1,894,661	1,395,518
Net current assets/(liabilities)		111,842	(125,776)
Total assets less current liabilities		643,468	384,787
Creditors: amounts falling due after more than one year	17	137,487	182,445
Provisions	18	71,220	65,913
Net assets		434,761	136,429
Capital and reserves			
Called up share capital	22	100	100
Profit and loss account		434,661	136,329
Shareholders funds		434,761	136,429

These financial statements were approved by the board of directors and authorised for issue on 24 May 2021 , and are signed on behalf of the board by:

Mr JA Brown

Director

Company registration number: 08023858

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit B8 Grove Park, Springvale Road Grimethorpe, Barnsley, South Yorkshire, S72 7BF.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

Going concern

The company's forecasts and projections, taking account of reasonably possible changes in trading performance including the impact of COVID-19, show that the company should have sufficient cash resources to meet its requirements for at least the next 12 months. Accordingly, the adoption of the going concern basis in preparing the financial statements remains appropriate.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of NIBE Industrier AB which can be obtained from NIBE Industrier AB, Hannabadsvägen 5, Markaryd, Sweden (visitors address), Box 14, SE 285 21, Markaryd, Sweden (postal address). As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (a) No cash flow statement has been presented for the company. (b) Disclosures in respect of financial instruments have not been presented. (c) Disclosures in respect of share-based payments have not been presented.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows: (a) Valuation of stock Stock is valued at the lower of cost and net realisable value. Judgement is required from management in assessing the net realisable value of stock items. This is applied by management using their knowledge of the business and specifically any stock items thay may be damaged, obsolete or slow-moving. (b) Recoverability of trade debtors Trade debtors are measured at transaction price, less any impairment. Judgement is required from management in assessing any impairment associated with trade debtor balances. This is applied by management using their knowledge of the business and its customers, with an emphasis on any overdue trade debtor balances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer; the amount of revenue can be measured reliably measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Long leasehold property	-	2% straight line
Plant and machinery	-	20% straight line
Fixtures and fittings	-	15% reducing balance
Motor vehicles	-	33% straight line

Impairment of fixed assets

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

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition on a first in, first out basis.

Finance leases and hire purchase contracts

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

Government grants

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

Provisions

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

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

Defined contribution plans

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

4. Turnover

Turnover arises from:

	2020	2019
	£	£
Sale of goods	3,103,627	2,306,351
Rendering of services	1,302,494	803,558
	4,406,121	3,109,909

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2020	2019
	£	£
Government grant income	108,741	–

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020	2019
	£	£
Depreciation of tangible assets	61,676	47,624
Impairment of trade debtors	–	2,111
Operating lease rentals	23,563	23,416
Foreign exchange differences	4,564	(442)

7. Auditor's remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	6,100	13,500

8. Staff costs

The average number of persons employed by the company during the year amounted to 34 (2019: 23).

The aggregate payroll costs incurred during the year, relating to the above, were:

	2020	2019
	£	£
Wages and salaries	1,294,422	948,054
Social security costs	142,165	109,414
Other pension costs	33,472	23,082
	1,470,059	1,080,550

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2020	2019
	£	£
Remuneration	189,193	184,865
Company contributions to defined contribution pension plans	12,227	9,432
	201,420	194,297

The number of directors who accrued benefits under company pension plans was as follows:

	2020	2019
	No.	No.
Defined contribution plans	2	2

The highest paid director received aggregate remuneration of £101,930 (2019: £97,203).

10. Interest payable and similar expenses

	2020	2019
	£	£
Interest on banks loans and overdrafts	13,850	4,054
Interest on obligations under finance leases and hire purchase contracts	1,597	8,786
Interest due to group undertakings	29,991	–
	45,438	12,840

11. Tax on profit

Major components of tax expense

	2020	2019
	£	£
Current tax:		
UK current tax expense	72,308	28,000
Deferred tax:		
Origination and reversal of timing differences	5,307	65,913
Tax on profit	77,615	93,913

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2019: higher than) the standard rate of corporation tax in the UK of 19 % (2019: 19 %).

	2020	2019
	£	£
Profit on ordinary activities before taxation	405,643	184,565
Profit on ordinary activities by rate of tax	77,072	35,067
Effect of expenses not deductible for tax purposes	543	198
Rounding on tax charge	–	715
Opening deferred tax	–	57,933
Tax on profit	77,615	93,913

12. Dividends

	2020	2019
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	29,696	–

13. Tangible assets

	Long leasehold property	Plant and machinery	Fixtures and fittings	Motor vehicles	**Total**
	£	£	£	£	**£**
Cost					
At 1 January 2020	179,412	300,671	15,293	186,698	682,074
Additions	–	30,165	45,901	51,515	127,581
Disposals	–	(66,880)	–	–	(66,880)
At 31 December 2020	179,412	263,956	61,194	238,213	742,775
Depreciation					
At 1 January 2020	16,822	69,984	9,513	75,192	171,511
Charge for the year	3,588	19,823	5,627	32,638	61,676
Disposals	–	(22,038)	–	–	(22,038)
At 31 December 2020	20,410	67,769	15,140	107,830	211,149
Carrying amount					
At 31 December 2020	159,002	196,187	46,054	130,383	531,626
At 31 December 2019	162,590	230,687	5,780	111,506	510,563

Finance leases and hire purchase contracts

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

	Fixtures and fittings	Motor vehicles	**Total**
	£	£	**£**
At 31 December 2020	10,413	84,510	94,923
At 31 December 2019	–	111,506	111,506

14. Stocks

	2020	2019

	£	£
Finished goods and goods for resale	951,636	722,872

15. Debtors

	2020	2019
	£	£
Trade debtors	663,374	325,678
Amounts owed by group undertakings	–	92,018
Prepayments and accrued income	27,619	28,579
Other debtors	10,091	–
	701,084	446,275

16. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans	38,759	51,588
Trade creditors	546,597	350,787
Amounts owed to group undertakings	883,989	650,000
Accruals and deferred income	7,600	18,662
Corporation tax	89,424	28,336
Social security and other taxes	186,278	102,850
Director loan accounts	54,750	94,750
Other loans	30,221	32,968
Obligations under hire purchase agreements	46,047	47,941
Other creditors	10,996	17,636
	1,894,661	1,395,518

Included within bank loans is a bank loan of £6,510 (2019 - £12,255) which is secured against the assets of the company. The term of the loan is 11 years from the date of drawdown. Interest will be charged at 3% per annum over the base rate.

Included within bank loans is a bank loan of £27,249 (2019 - £39,333) which is secured against the assets of the company.

Included within other loans are loans of £30,221 (2019 - £32,968) which are secured against the assets of the company.

Included within obligations under hire purchase agreements are obligations under finance lease and hire purchase contracts of £46,047 (2019 - £41,717) which are secured against the assets to which they relate.

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

	2020	2019
	£	£
Bank loans	113,284	92,287
Other loans	–	30,221
Obligations under hire purchase agreements	24,203	59,937
	137,487	182,445

Included within bank loans is a bank loan of £68,284 (2019 - £69,211) which is secured against the assets of the company. The term of the loan is 11 years from the date of drawdrawn. £45,065 (2019 - £47,629) of the balance falls due for payment after more than five years from the reporting date. Interest will be charged at 3% per annum over the base rate.

Included within bank loans is a bank loan of £Nil (2019 - £23,076) which is secured against the assets of the company.

Included within other loans are loans of £Nil (2019 - £30,221) which are secured against the assets of the company.

Included within obligations under hire purchase agreements are obligations under finance lease and hire purchase contracts of £24,203 (2019 - £59,937) which are secured against the assets to which they relate.

18. Provisions

	Deferred tax (note 19)
	£
At 1 January 2020	65,913
Additions	5,307
At 31 December 2020	71,220

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2020	2019
	£	£
Included in provisions (note 18)	71,220	65,913

The deferred tax account consists of the tax effect of timing differences in respect of:

	2020	2019
	£	£
Accelerated capital allowances	71,220	65,913

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 33,472 (2019: £ 23,082).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020	2019
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	108,741	–

22. Called up share capital

Issued, called up and fully paid

	2020		2019	
	No.	**£**	No.	£
Ordinary shares of £ 1 each	100	100	100	100

23. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£	£
Not later than 1 year	11,680	18,989
Later than 1 year and not later than 5 years	–	8,390
	11,680	27,379

24. Pension commitments

Total pension contributions included on the balance sheet amount to £10,670 (2019 - £7,502).

25. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2020

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	**Balance outstanding**
	£	£	£	**£**
Mr DT Riley	(25,001)	–	–	(25,001)
Mr JA Brown	(69,749)	40,000	–	(29,749)
	(94,750)	40,000	–	(54,750)

2019

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr DT Riley	(50,396)	78,137	(52,742)	(25,001)
Mr JA Brown	(69,749)	–	–	(69,749)
	(120,145)	78,137	(52,742)	(94,750)

26. Related party transactions

At 31 December 2020, there was an unsecured loan between a director and the company. The balance at the year end owed to the director totalled £29,749 (2019 - £69,749). At 31 December 2020, there was an unsecured loan between a director and the company. The balance at the year end owed to the director totalled £25,001 (2019 - £25,001). During the year, purchases of goods and services amounting to £10,000 (2019 - £10,000) and sales of goods and services amounting to £104,164 (2019 - £20,740) were made with a related company under common control. At the year end, a balance of £47,296 (2019 - £5,368) was owed from this entity. During the year, purchases of goods and services amounting to £415,470 (2019 - £240,851) were made with a related company under common control. At the year end, a balance of £260,533 (2019 - £95,024) was owed to this entity. At 31 December 2020, there was an unsecured loan between the related party and the company amounting to £500,000 (2019 - £150,000). Interest is payable on this loan at a rate of 6% per annum.

27. Controlling party

The immediate parent entity is Wolf Laundry Holdings Limited. From 11 January 2019, the ultimate controlling party of Wolf Laundry Holdings Limited is Nibe Industrier AB. The registered address of Nibe Industrier AB is Box 14, SE-285 21 Markaryd, Sweden.