

Registration number: 09236888

Carysil UK Ltd

Consolidated Financial Statements
for the Year Ended 31 March 2024

Carysil UK Ltd

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Carysil UK Ltd

Group Strategic Report for the Year Ended 31 March 2024

The directors present their strategic report for the year ended 31 March 2024.

Fair review of the business

The directors consider the development and performance of the group during the year ending 31 March 2024 to be positive. The group has continued to grow with a specific focus on the acquisition and takeover of Carysil Brassware Limited on the 3 April 2023.

Sales have increased by £1,942,860 in the year, which is largely driven by the acquisition of Carysil Brassware Ltd, resulting in a Gross Profit increase to £7,290,279 compared to £6,295,795 in the previous year.

Net profit after tax has decreased by £329,893 to £1,218,857 compared to £1,549,919 in the previous year which has been driven by an increase in admin expenses during the year.

The group's net assets have increased to £6,337,796 (2023: £5,118,939).

Principal risks and uncertainties

In common with many other companies the group has exposure to two main risks, liquidity risk, customer credit exposure.

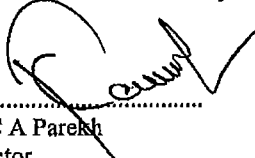
The objective of the group in managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The group expects to meet its financial obligations through operating cash flows. In the event that operating cash flows would not cover all of the financial obligations, the group has additional credit facilities available.

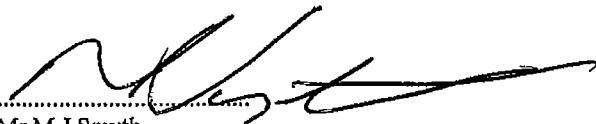
The group offers credit terms to its customers which allows for payment of the debt due after delivery of the goods. The group is therefore at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by strong on-going customer relationships and close internal monitoring of customer credit ratings.

Future developments

The directors anticipate the business environment will remain competitive. They believe that the company is in a good financial position and that the risks that have been identified are being well managed. With careful focus on appropriate diversification and development of new products, as well as continuing review of the state of the market and the activities of competitors, the directors are confident in the company's ability to maintain and build on this position, albeit with cautious growth expectations.

Approved and authorised by the Board on 30/4/24 and signed on its behalf by:


.....
Mr C A Parekh
Director


.....
Mr M J Smyth
Director

Carysil UK Ltd

Group Directors' Report for the Year Ended 31 March 2024

The directors present their report and the consolidated financial statements for the year ended 31 March 2024.

Directors of the group

The directors who held office during the year were as follows:

Mr C A Parekh

Mr P H Gohil (ceased 31 March 2024)

Mr M J Smyth

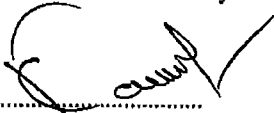
Ms N F Stoneham


Mr P R Vyas (appointed 22 January 2024)

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved and authorised by the Board on 30/4/24 and signed on its behalf by:


.....
Mr C A Parekh
Director


.....
Mr M J Smyth
Director

Carysil UK Ltd

Statement of Directors' Responsibilities

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 the 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 apply them consistently;
- make judgements 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and 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 included on the group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Carysil UK Ltd

Independent Auditor's Report to the Members of Carysil UK Ltd

Opinion

We have audited the financial statements of Carysil UK Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2024, which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Consolidated 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 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 group's and the parent company's affairs as at 31 March 2024 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's 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 ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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. 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.

Carysil UK Ltd

Independent Auditor's Report to the Members of Carysil UK Ltd

Opinion on other matter 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 Group Strategic Report and Group Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and Group 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 our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Group 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.

Responsibilities of directors

As explained more fully in the Statement of Director's Responsibilities set out on page 3 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 group's and 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Carysil UK Ltd

Independent Auditor's Report to the Members of Carysil UK Ltd

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks and irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, tax legislation, pension legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included GDPR, employment law, health and safety and building regulations.

We discussed among the audit engagement team the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations describes as having a direct effect on the financial statement;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house / external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: 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.



.....
Damian Wayne Riley FCCA (Senior Statutory Auditor)
For and on behalf of Alextra Audit Limited, Statutory Auditor

7-9 Macon Court
Crewe
Cheshire
CW1 6EA

Date: 30/4/24

Carysil UK Ltd

**Consolidated Profit and Loss Account and Statement of Retained Earnings for the Year
Ended 31 March 2024**

	2024 £	2023 £
Turnover	25,117,455	23,174,595
Cost of sales	<u>(17,827,176)</u>	<u>(16,878,800)</u>
Gross profit	7,290,279	6,295,795
Administrative expenses	<u>(4,804,753)</u>	<u>(3,795,280)</u>
Operating profit	2,485,526	2,500,515
Interest payable and similar charges	<u>(464,420)</u>	<u>(274,886)</u>
Profit before tax	2,021,106	2,225,629
Taxation	<u>(802,249)</u>	<u>(675,710)</u>
Profit for the financial year	<u>1,218,857</u>	<u>1,549,919</u>
Profit/(loss) attributable to:		
Owners of the company	1,220,026	1,549,919
Minority interests	<u>(1,169)</u>	<u>-</u>
	1,218,857	1,549,919
Retained earnings brought forward	<u>4,428,938</u>	<u>2,879,019</u>
Retained earnings carried forward	<u>5,647,795</u>	<u>4,428,938</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Carysil UK Ltd

**(Registration number: 09236888)
Consolidated Balance Sheet as at 31 March 2024**

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	8	7,617,736	8,004,436
Tangible assets	9	<u>516,687</u>	<u>525,757</u>
		<u>8,134,423</u>	<u>8,530,193</u>
Current assets			
Stocks		4,436,893	4,187,446
Debtors	12	5,742,980	7,902,769
Cash at bank and in hand		<u>611,987</u>	<u>209,518</u>
		10,791,860	12,299,733
Creditors: Amounts falling due within one year	13	<u>(7,890,290)</u>	<u>(8,152,191)</u>
Net current assets		<u>2,901,570</u>	<u>4,147,542</u>
Total assets less current liabilities		11,035,993	12,677,735
Creditors: Amounts falling due after more than one year	13	(4,604,006)	(7,497,672)
Provisions for liabilities		<u>(94,191)</u>	<u>(61,124)</u>
Net assets		<u>6,337,796</u>	<u>5,118,939</u>
Capital and reserves			
Called up share capital		690,001	690,001
Profit and loss account		5,648,964	4,428,938
Minority interests		<u>(1,169)</u>	<u>-</u>
Shareholders' funds		<u>6,337,796</u>	<u>5,118,939</u>

Approved and authorised by the Board on 30/4/24 and signed on its behalf by:

.....
Mr C A Parekh
Director

.....
Mr M J Smyth
Director

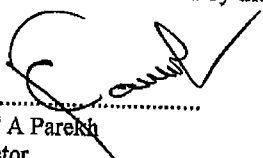
Carysil UK Ltd


**(Registration number: 09236888)
Balance Sheet as at 31 March 2024**

	Note	2024 £	2023 £
Fixed assets			
Investments	10	18,072,924	16,793,639
Current assets			
Debtors	12	1,017,986	2,834,542
Cash at bank and in hand		-	22,143
		<u>1,017,986</u>	<u>2,856,685</u>
Creditors: Amounts falling due within one year	13	<u>(5,539,111)</u>	<u>(5,433,241)</u>
Net current liabilities		<u>(4,521,125)</u>	<u>(2,576,556)</u>
Total assets less current liabilities		13,551,799	14,217,083
Creditors: Amounts falling due after more than one year	13	<u>(4,479,250)</u>	<u>(7,482,750)</u>
Net assets		<u>9,072,549</u>	<u>6,734,333</u>
Capital and reserves			
Called up share capital		690,001	690,001
Retained earnings		<u>8,382,548</u>	<u>6,044,332</u>
Shareholders' funds		<u>9,072,549</u>	<u>6,734,333</u>

The company made a profit after tax for the financial year of £2,338,216 (2023: Profit £4,275,110)

Approved and authorised by the Board on 30/4/24 and signed on its behalf by:


.....
Mr C A Parekh
Director


.....
Mr M J Smyth
Director

Carysil UK Ltd

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2024
Equity attributable to the parent company

	Share capital £	Profit and loss account £	Total £	Non- controlling interests £	Total equity £
At 1 April 2023	690,001	4,428,938	5,118,939	-	5,118,939
Total comprehensive income	-	1,220,026	1,220,026	(1,169)	1,218,857
At 31 March 2024	690,001	5,648,964	6,338,965	(1,169)	6,337,796
	Share capital £	Other reserves £	Profit and loss account £	Total £	Total equity £
At 1 April 2022	690,001	50,156	2,879,019	3,619,176	3,619,176
Profit for the year	-	-	1,549,919	1,549,919	1,549,919
Other reserves movement	-	(50,156)	-	(50,156)	(50,156)
Total comprehensive income	-	(50,156)	1,549,919	1,499,763	1,499,763
At 31 March 2023	690,001	-	4,428,938	5,118,939	5,118,939

Carysil UK Ltd

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Profit for the year		1,218,857	1,549,919
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	1,372,253	1,261,936
Finance costs	5	464,420	274,886
Corporation tax expense	7	802,249	675,710
		<u>3,857,779</u>	<u>3,762,451</u>
Working capital adjustments			
Decrease/(increase) in stocks		141,572	(455,380)
Decrease/(increase) in trade debtors	12	2,289,771	(1,214,929)
(Decrease)/increase in trade creditors	13	<u>(3,544,790)</u>	<u>3,096,487</u>
Cash generated from operations		2,744,332	5,188,629
Corporation taxes paid	7	<u>(789,580)</u>	<u>(700,123)</u>
Net cash flow from operating activities		<u>1,954,752</u>	<u>4,488,506</u>
Cash flows from investing activities			
Acquisitions of tangible assets		(106,371)	(238,364)
Proceeds from sale of tangible assets		2,013	-
Disposal of investment in subsidiary		-	101
Acquisition of subsidiary (net of cash acquired)		<u>(1,008,621)</u>	<u>(11,236,004)</u>
Net cash flows from investing activities		<u>(1,112,979)</u>	<u>(11,474,267)</u>
Cash flows from financing activities			
Interest paid	5	(464,420)	(274,886)
Payment of employee share option plan		-	(50,156)
Repayment of bank loans		(381,880)	6,217,750
Factoring facility movement		458,018	914,625
Repayment of hire purchase		<u>(51,022)</u>	<u>25,456</u>
Net cash flows from financing activities		<u>(439,304)</u>	<u>6,832,789</u>
Net increase/(decrease) in cash and cash equivalents		402,469	(152,972)
Cash and cash equivalents at 1 April		<u>209,518</u>	<u>362,490</u>
Cash and cash equivalents at 31 March		<u>611,987</u>	<u>209,518</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Carysil UK Ltd

Consolidated Statement of Cash Flows for the Year Ended 31 March 2024

Group	At 1 April 2023 £	Financing cash flows £	Acquisition of subsidiaries £	New finance leases £	At 31 March 2024 £
Borrowings					
Long term borrowings	5,832,750	(1,437,168)	-	-	4,395,582
Short term borrowings	2,126,158	1,513,306	128,712	-	3,768,176
Lease liabilities	25,456	(51,021)	36,029	69,840	80,304
	<u>7,984,364</u>	<u>25,117</u>	<u>164,741</u>	<u>69,840</u>	<u>8,244,062</u>
	<u>7,984,364</u>	<u>25,117</u>	<u>164,741</u>	<u>69,840</u>	<u>8,244,062</u>

The notes on pages 13 to 27 form an integral part of these financial statements.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Ground Floor
Lower Washford Mill
Mill Street
Congleton
Cheshire
CW12 2AD

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the Group's accounting policies.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in Sterling, which is the functional currency of the company. All monetary amounts are rounded to the nearest £.

Summary of disclosure exemptions

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these Financial Statements.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2024.

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

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Judgements and estimates

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where revision affects only that period, or in the period of revision and future periods where the revision affects both current and future periods.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the group's activities.

Government grants

Government Grants are recognised using the accrual model. Grants which relate to revenue shall be recognised in other operating income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

Any amounts outstanding at the year end will be included within other debtors.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

Foreign currency transactions and balances

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

Tax

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

The current 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 countries where the group operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company.

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

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets less estimated residual value, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and Machinery	at varying rates on cost
Furniture, fittings and equipment	at varying rates on cost
Motor Vehicles	at varying rates on cost

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	10% on cost

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Share based payments

During the year, the group has operated an 'Employee Stock Option Plan' to motivate employees who have been consistently performing well. The fair market value of the shares has been determined using the Black Scholes Model and are to be vested in line with the employee stock option plan.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

Financial instruments

The company 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 company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets and liabilities are offset, with 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 trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Other Financial Assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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 company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3 Revenue

The analysis of the group's Turnover for the year from continuing operations is as follows:

	2024	2023
	£	£
UK	24,693,569	22,847,530
Rest of world	423,886	327,065
	<u>25,117,455</u>	<u>23,174,595</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

4 Operating profit

Arrived at after charging/(crediting)

	2024	2023
	£	£
Depreciation expense	243,723	208,174
Amortisation expense	<u>1,128,530</u>	<u>1,053,762</u>

5 Interest payable and similar expenses

	2024	2023
	£	£
Hire purchase interest	4,560	749
Bank loan and overdraft interest	<u>459,860</u>	<u>274,137</u>
	<u>464,420</u>	<u>274,886</u>

6 Auditors' remuneration

	2024	2023
	£	£
For audit services	<u>28,500</u>	<u>21,000</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

7 Taxation

Tax charged/(credited) in the consolidated profit and loss account

	2024	2023
	£	£
Current taxation		
UK corporation tax	787,135	675,710
Deferred taxation		
Arising from origination and reversal of timing differences	<u>15,114</u>	<u>-</u>
Tax expense in the income statement	<u><u>802,249</u></u>	<u><u>675,710</u></u>

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2023 - the same as the standard rate of corporation tax in the UK) of 25% (2023 - 19%).

The differences are reconciled below:

	2024	2023
	£	£
Profit before tax	<u>2,021,106</u>	<u>2,225,629</u>
Corporation tax at standard rate	505,277	422,870
Effect of expense not deductible in determining taxable profit (tax loss)	305,671	228,856
Tax increase from effect of capital allowances and depreciation	14,852	-
Tax (decrease)/increase from other short-term timing differences	<u>(23,551)</u>	<u>23,984</u>
Total tax charge	<u><u>802,249</u></u>	<u><u>675,710</u></u>

Deferred tax

Group

Deferred tax assets and liabilities

	Liability
	£
2024	
Capital allowances	58,023
Provisions	<u>23,551</u>
	<u><u>81,574</u></u>
2023	
Capital allowances	61,124
	<u><u>61,124</u></u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

8 Intangible assets

Group

	Goodwill	Total
	£	£
Cost or valuation		
At 1 April 2023	9,058,198	9,058,198
Additions	<u>741,830</u>	<u>741,830</u>
At 31 March 2024	<u>9,800,028</u>	<u>9,800,028</u>
Amortisation		
At 1 April 2023	1,053,762	1,053,762
Amortisation charge	<u>1,128,530</u>	<u>1,128,530</u>
At 31 March 2024	<u>2,182,292</u>	<u>2,182,292</u>
Carrying amount		
At 31 March 2024	<u>7,617,736</u>	<u>7,617,736</u>
At 31 March 2023	<u>8,004,436</u>	<u>8,004,436</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

9 Tangible assets

Group

	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
Cost or valuation				
At 1 April 2023	248,244	164,273	392,237	804,754
Acquired through business combinations	34,550	82,970	15,259	132,779
Additions	38,346	68,940	68,924	176,210
Disposals	-	(109,969)	-	(109,969)
At 31 March 2024	<u>321,140</u>	<u>206,214</u>	<u>476,420</u>	<u>1,003,774</u>
Depreciation				
At 1 April 2023	109,800	25,981	143,216	278,997
Acquired through business combinations	20,457	40,899	10,967	72,323
Charge for the year	58,319	98,061	87,343	243,723
Eliminated on disposal	-	(107,956)	-	(107,956)
At 31 March 2024	<u>188,576</u>	<u>56,985</u>	<u>241,526</u>	<u>487,087</u>
Carrying amount				
At 31 March 2024	<u>132,564</u>	<u>149,229</u>	<u>234,894</u>	<u>516,687</u>
At 31 March 2023	<u>138,444</u>	<u>138,292</u>	<u>249,021</u>	<u>525,757</u>

Motor vehicles with a carrying value of £101,580 (2023: £70,850) are held under finance leases.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

10 Investments

Company	£
Subsidiaries	
Cost or valuation	
At 1 April 2023	16,793,639
Additions	<u>1,279,285</u>
At 31 March 2024	<u>18,072,924</u>
Net Book Value	
At 31 March 2024	<u>18,072,924</u>
At 31 March 2023	<u>16,793,639</u>

Undertaking	Proportion of voting rights		Principal Activity
	Holding	and shares held	
Subsidiary undertaking	2024	2023	
Carysil Products Ltd	Ordinary 100%	100%	Import and trading of home products
Carysil Surfaces Ltd	Ordinary 100%	100%	Manufacture and distribution of solid surface worktops
Carysil Brassware Ltd	Ordinary 70%	0%	Wholesale of hardware, plumbing and heating equipment

Carysil Products Ltd is incorporated in England and Wales. The registered office address is Ground Floor Lower Washford Mill, Mill Street, Congleton, Cheshire, United Kingdom, CW12 2AD.

Carysil Surfaces Ltd is incorporated in England and Wales. The registered office address is Unit A Azalea Close, Somercotes, Alfreton, Derbyshire, DE55 4QX.

Carysil Brassware Ltd is incorporated in England and Wales. The registered office address is 20 Whitcliffe Road, Cleckheaton, England, BD19 3NU.

The subsidiaries listed above are included in the consolidation.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

11 Business combinations

On 1 April 2024, Carysil UK Ltd acquired 70% of the issued share capital of Carysil Brassware Limited, obtaining control.

The amounts recognised in respect of the identifiable assets acquired and liabilities assumed are as set out in the table below:

	Book value	Fair value
	2024	2024
	£	£
Assets and liabilities acquired		
Financial assets	400,646	400,646
Stocks	391,019	391,019
Tangible assets	60,455	60,455
Financial liabilities	(299,552)	(299,552)
Contingent liability	(15,113)	(15,113)
Total identifiable assets	537,455	537,455
	-	-
Total consideration	537,455	537,455
Cash flow analysis:		
Cash consideration	1,279,285	1,279,285
Less: cash and cash equivalent balances acquired	(270,664)	(270,664)
Net cash outflow arising on acquisition	1,008,621	1,008,621

12 Debtors

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	4,275,080	4,755,083	-	-
Other debtors	1,163	2,627,972	-	2,627,972
Prepayments	1,466,737	519,714	1,017,986	206,570
	<u>5,742,980</u>	<u>7,902,769</u>	<u>1,017,986</u>	<u>2,834,542</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

13 Creditors

	Note	Group		Company	
		2024 £	2023 £	2024 £	2023 £
Due within one year					
Loans and borrowings	14	3,805,056	2,136,692	1,569,000	385,000
Trade creditors		1,297,264	1,885,952	-	-
Amounts due to related parties		950,564	828,772	3,952,711	3,389,842
Social security and other taxes		806,108	753,776	-	-
Other payables		24,026	1,704,906	-	1,649,999
Accruals		416,119	318,742	17,400	8,400
Corporation tax	7	591,153	523,351	-	-
		<u>7,890,290</u>	<u>8,152,191</u>	<u>5,539,111</u>	<u>5,433,241</u>
Due after one year					
Loans and borrowings	14	4,439,006	5,847,672	4,314,250	5,832,750
Other non-current financial liabilities		165,000	1,650,000	165,000	1,650,000
		<u>4,604,006</u>	<u>7,497,672</u>	<u>4,479,250</u>	<u>7,482,750</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

14 Loans and borrowings

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Non-current loans and borrowings				
Bank borrowings	4,395,582	5,832,750	4,314,250	5,832,750
Finance lease liabilities	43,424	14,922	-	-
	<u>4,439,006</u>	<u>5,847,672</u>	<u>4,314,250</u>	<u>5,832,750</u>

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current loans and borrowings				
Bank borrowings	1,569,000	385,000	1,569,000	385,000
Finance lease liabilities	36,880	10,534	-	-
Other borrowings	2,199,176	1,741,158	-	-
	<u>3,805,056</u>	<u>2,136,692</u>	<u>1,569,000</u>	<u>385,000</u>

Included within finance lease liabilities is £80,304 (2023: £25,456) in relation to finance lease and hire purchase contracts which are secured by the assets to which they relate.

Included within bank borrowings is £5,964,582 (2023: £6,217,750) in relation to a bank loan which is secured by a debenture dated 06 April 2022 over all assets of the company. Carysil UK Ltd has provided a cross guarantee with Carysil Products Limited in respect of the Bank loan in favour of Export Import Bank of India.

Included within loans and borrowings is £2,199,176 (2023: £1,741,158) in relation to a factoring service which is secured by a debenture dated 06 April 2022 over all assets of the company. Carysil UK Ltd has provided a cross guarantee with Carysil Products Limited in respect of the factoring facility in favour of ABN Amro Asset Based Finance N.V.

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

15 Staff numbers

The aggregate payroll costs (including directors' remuneration) were as follows:

	2024	2023
	£	£
Wages and salaries	1,969,869	1,596,805
Social security costs	116,641	104,850
	<u>2,086,510</u>	<u>1,701,655</u>

Pension costs comprise contributions to a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund. Outstanding contributions at the balance sheet date total £3,436 (2023: £3,527).

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2024	2023
	No.	No.
Management	18	15
Warehouse and production	56	50
Administration and support	30	27
	<u>104</u>	<u>92</u>

Carysil UK Ltd

Notes to the Financial Statements for the Year Ended 31 March 2024

16 Leasing commitments

Group

	Land and Buildings		Other	
	2024	2023	2024	2023
	£	£	£	£
Within one year	348,635	302,319	44,517	24,826
Between two and five years	994,980	833,888	64,522	17,775
Over 5 years	83,750	335,000	-	-
	<u>1,427,365</u>	<u>1,471,207</u>	<u>109,039</u>	<u>42,601</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £327,145 (2023 - £331,687).

17 Commitments

Group

Other financial commitments

As at 31st March 2024, the group had forward exchange contracts in place to purchase USD \$3,824,192 (2023 \$4,428,019) and sell \$Nil (2023 \$Nil)

As at 31st March 2024, the group had forward exchange contracts in place to purchase Euro €1,725 (2023 €Nil) and sell €Nil (2023 €Nil).

18 Parent and ultimate parent undertaking

The group's immediate and ultimate parent is Carysil Limited, incorporated in India. This is the largest group in which these financial statements are consolidated.

The most senior parent entity producing publicly available financial statements is Carysil Limited.

The address of Carysil Limited is:

B-307, Citi Point, JB Nagar, Andheri (east), Mumbai, Maharashtra, 400059.

Carysil UK Ltd

Detailed Consolidated Profit and Loss Account for the Year Ended 31 March 2024

	2024	2023
	£	£
Turnover (analysed below)	25,117,455	23,174,595
Cost of sales (analysed below)	<u>(17,827,176)</u>	<u>(16,878,800)</u>
Gross profit	<u>7,290,279</u>	<u>6,295,795</u>
Gross profit (%)	29.02%	27.17%
Administrative expenses		
Employment costs (analysed below)	(1,876,447)	(1,518,213)
Establishment costs (analysed below)	(269,912)	(201,665)
General administrative expenses (analysed below)	(1,119,142)	(675,947)
Finance charges (analysed below)	(166,999)	(137,519)
Depreciation costs (analysed below)	<u>(1,372,253)</u>	<u>(1,261,936)</u>
	<u>(4,804,753)</u>	<u>(3,795,280)</u>
Operating profit	2,485,526	2,500,515
Interest payable and similar expenses (analysed below)	<u>(464,420)</u>	<u>(274,886)</u>
Profit before tax	<u>2,021,106</u>	<u>2,225,629</u>

Carysil UK Ltd

Detailed Consolidated Profit and Loss Account for the Year Ended 31 March 2024

	2024	2023
	£	£
Turnover		
Sale of goods, UK	24,693,569	22,847,530
Sale of goods, Europe	<u>423,886</u>	<u>327,065</u>
	<u>25,117,455</u>	<u>23,174,595</u>
Cost of sales		
Opening raw materials	4,187,446	1,331,772
Purchases	14,932,435	17,168,269
Other production expenses	348,491	273,743
Closing raw materials	(4,436,893)	(4,187,446)
Packaging material	170,017	213,554
Freight and carriage	1,832,527	1,364,258
Commissions payable	583,090	531,208
Wages and salaries (excluding directors)	93,422	78,592
Staff NIC (Employers)	<u>116,641</u>	<u>104,850</u>
	<u>17,827,176</u>	<u>16,878,800</u>
Employment costs		
Wages and salaries (excluding directors)	1,511,838	1,146,262
Directors remuneration	356,747	348,003
Directors ESOP Costs	<u>7,862</u>	<u>23,948</u>
	<u>1,876,447</u>	<u>1,518,213</u>
Establishment costs		
Rent	104,702	91,162
Light, heat and power	16,267	4,275
Insurance	<u>148,943</u>	<u>106,228</u>
	<u>269,912</u>	<u>201,665</u>

Carysil UK Ltd

Detailed Consolidated Profit and Loss Account for the Year Ended 31 March 2024

	2024	2023
	£	£
General administrative expenses		
Repairs and renewals	28,148	25,846
Telephone and fax	34,887	21,450
Computer software and maintenance costs	165,063	80,728
Printing, postage and stationery	35,652	28,171
Sundry expenses	(329)	(11,794)
Motor expenses	58,750	49,509
Travel and subsistence	125,012	64,984
Advertising	296,710	166,897
Customer entertaining	74,979	45,557
Accountancy fees	162,515	123,689
Legal and professional fees	137,755	80,910
	<u>1,119,142</u>	<u>675,947</u>
Finance charges		
Factoring charges	100,211	22,946
Bank charges	66,788	114,573
	<u>166,999</u>	<u>137,519</u>
Depreciation costs		
Amortisation of goodwill	1,128,530	1,053,762
Depreciation of plant and machinery	87,343	88,016
Depreciation of furniture, fittings and equipment	58,319	42,968
Depreciation of motor vehicles	98,061	77,190
	<u>1,372,253</u>	<u>1,261,936</u>
Interest payable and similar expenses		
Bank interest payable	459,898	274,137
Bank loan interest payable	(38)	-
Hire purchase interest	4,560	749
	<u>464,420</u>	<u>274,886</u>