Company registration number 04010768 (England and Wales)

TARKA SPRINGS LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

TARKA SPRINGS LIMITED

COMPANY INFORMATION

Directors	Mr N Folland Mrs S Folland
Company number	04010768
Registered office	Little Comfort Farm Langtree Torrington Devon United Kingdom EX38 8NY
Accountants	Azets Lime Court Pathfields Business Park South Molton Devon United Kingdom EX36 3LH

TARKA SPRINGS LIMITED

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TARKA SPRINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

The directors present their annual report and financial statements for the year ended 30 September 2023.

Principal activities
The principal activity of the company continued to be that of the wholesale supply of bottled water.

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

Mr N Folland
Mrs S Folland

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

On behalf of the board

....
Mr N Folland
Director
....

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF TARKA SPRINGS LIMITED FOR THE YEAR ENDED 30 SEPTEMBER 2023

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Tarka Springs Limited for the year ended 30 September 2023 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

This report is made solely to the board of directors of Tarka Springs Limited, as a body, in accordance with the terms of our engagement letter dated 20 November 2020. Our work has been undertaken solely to prepare for your approval the financial statements of Tarka Springs Limited and state those matters that we have agreed to state to the board of directors of Tarka Springs Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tarka Springs Limited and its board of directors as a body, for our work or for this report.

It is your duty to ensure that Tarka Springs Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Tarka Springs Limited. You consider that Tarka Springs Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Tarka Springs Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Azets ....

Lime Court
Pathfields Business Park
South Molton
Devon
United Kingdom
EX36 3LH

TARKA SPRINGS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	Notes	2023 £	2022 £
Turnover		4,246,381	3,600,605
Cost of sales		(2,555,117)	(2,437,908)
Gross profit		1,691,264	1,162,697
Administrative expenses		(942,852)	(812,478)
Operating profit		748,412	350,219
Interest payable and similar expenses		(67,345)	(28,660)
Profit before taxation		681,067	321,559
Tax on profit	**4**	(155,604)	(33,418)
Profit for the financial year		525,463	288,141

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TARKA SPRINGS LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**5**		3,981,848		2,314,592
Current assets					
Stocks		222,773		269,124	
Debtors	**6**	1,168,167		724,442	
Cash at bank and in hand		274,460		133,737	
		1,665,400		1,127,303	
Creditors: amounts falling due within one year	**7**	(1,505,866)		(993,010)	
Net current assets			159,534		134,293
Total assets less current liabilities			4,141,382		2,448,885
Creditors: amounts falling due after more than one year	**8**		(2,676,904)		(1,665,475)
Provisions for liabilities			(339,926)		(184,321)
Net assets			1,124,552		599,089
Capital and reserves					
Called up share capital	**9**		1,500		1,500
Share premium account			29,550		29,550
Capital redemption reserve			(59,041)		(59,041)
Profit and loss reserves	**10**		1,152,543		627,080
Total equity			1,124,552		599,089

For the financial year ended 30 September 2023 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2023

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

....
Mr N Folland
Director

Company Registration No. 04010768

BALANCE SHEET (CONTINUED)

AS AT 30 SEPTEMBER 2023

1 Judgements and key sources of estimation uncertainty

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 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.

2 Accounting policies

Company information

Tarka Springs Limited is a private company limited by shares incorporated in England and Wales. The registered office is Little Comfort Farm, Langtree, Torrington, Devon, United Kingdom, EX38 8NY.

2.1 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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 £.

2.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 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.

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:

Land and buildings Leasehold	4% straight line
Plant and machinery	10% reducing balance
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

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 credited or charged to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2023

2 Accounting policies **(Continued)**

2.4 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs 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 cost and replacement 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.

2.5 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.6 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 balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

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

Classification of financial liabilities

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, 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. If not, they are presented as non-current liabilities.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

2.7 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 company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

2 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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.8 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.9 Retirement benefits

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

2.10 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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 leases asset are consumed.

3 Employees

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

	2023 Number	2022 Number
Total	14	20

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

4 Taxation

	2023	2022
	£	£
Current tax		
Adjustments in respect of prior periods	-	115
Deferred tax		
Origination and reversal of timing differences	155,604	33,303
Total tax charge	155,604	33,418

5 Tangible fixed assets

	Land and buildings Leasehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 October 2022	770,070	2,455,200	21,663	1,800	3,248,733
Additions	515,406	1,408,908	469	-	1,924,783
Disposals	-	(68,750)	-	-	(68,750)
At 30 September 2023	1,285,476	3,795,358	22,132	1,800	5,104,766
Depreciation and impairment					
At 1 October 2022	178,644	740,881	13,350	1,266	934,141
Depreciation charged in the year	30,803	178,122	839	133	209,897
Eliminated in respect of disposals	-	(21,120)	-	-	(21,120)
At 30 September 2023	209,447	897,883	14,189	1,399	1,122,918
Carrying amount					
At 30 September 2023	1,076,029	2,897,475	7,943	401	3,981,848
At 30 September 2022	591,426	1,714,319	8,313	534	2,314,592

6 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	940,769	631,656
Other debtors	208,073	76,497
Prepayments and accrued income	19,325	16,289
	1,168,167	724,442

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

7 Creditors: amounts falling due within one year

	2023	2022
	£	£
Bank loans	302,074	57,678
Trade creditors	1,085,987	862,845
Taxation and social security	23,300	6,087
Other creditors	94,505	66,400
	1,505,866	993,010

8 Creditors: amounts falling due after more than one year

	2023	2022
	£	£
Bank loans and overdrafts	1,284,728	441,725
Other creditors	1,392,176	1,223,750
	2,676,904	1,665,475

9 Called up share capital

	2023	2022	2023	2022
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
X1 of £1 each	351	351	351	351
X2 of £1 each	426	426	426	426
Y of £1 each	723	723	723	723
	1,500	1,500	1,500	1,500

10 Profit and loss reserves

	2023	2022
	£	£
At the beginning of the year	627,080	342,939
Profit for the year	525,463	288,141
Dividends declared and paid in the year	-	(4,000)
At the end of the year	1,152,543	627,080

The following pages do not form part of the statutory accounts

TARKA SPRINGS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023		2022	
	£	£	£	£
Turnover				
Sales		4,244,054		3,598,290
Other income		2,327		2,315
		4,246,381		3,600,605
Cost of sales				
Opening stock	269,124		190,646	
Purchases and other direct costs				
Purchases	1,765,008		1,831,497	
Distribution and carriage	364,962		357,467	
Wages and salaries	355,196		320,556	
Hire of plant and machinery	23,600		6,866	
Total purchases and other direct costs	2,508,766		2,516,386	
Closing stock	222,773		269,124	
Total cost of sales		(2,555,117)		(2,437,908)
Gross profit	39.83%	1,691,264	32.29%	1,162,697

TARKA SPRINGS LIMITED

DETAILED PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2023

	2023		2022	
	£	£	£	£
Administrative expenses				
Administrative wages	91,042		39,399	
Employer's NI contributions	10,192		4,096	
Subcontract labour	13,865		-	
Staff training	605		360	
Staff pension costs defined contribution	25,707		20,198	
Directors' remuneration	95,234		99,987	
Directors' social security costs	10,978		12,187	
Rent	57,600		53,887	
Test fees and licences	11,195		9,063	
Rates	11,307		13,399	
Cleaning and waste removal	18,822		6,915	
Light and heat	190,041		163,895	
Repairs and maintenance	34,103		98,085	
Insurance	11,612		12,963	
Computer running costs	4,169		3,401	
Leasing - motor vehicles	60,227		58,995	
Travelling expenses	134		2,770	
Accommodation and subsistence	3,847		761	
Legal and professional fees	46,485		13,288	
Accountancy	5,740		4,140	
Factoring charges	11,282		9,503	
Bank charges	720		664	
Bad and doubtful debts	851		28,567	
Printing and stationery	991		951	
Advertising	8,347		3,160	
Telephone	3,621		3,714	
Entertaining	4,479		14,276	
Sundry expenses	11,879		1,816	
Amortisation	-		17,056	
Depreciation	209,897		118,142	
Profit or loss on sale of tangible assets (non exceptional)	(12,120)		(3,160)	
		(942,852)		(812,478)
Operating profit		748,412		350,219
Interest payable and similar expenses				
Hire purchase interest payable	16,688		12,055	
Loan interest	50,657		16,605	
		(67,345)		(28,660)
Profit before taxation	16.04%	681,067	8.93%	321,559