

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024
FOR
WINDWARD MARINE LIMITED**

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FOR THE YEAR ENDED 31 OCTOBER 2024

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WINDWARD MARINE LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2024

DIRECTORS:

P McLuskie
L A Parr
S E Radford
W Booth
L Jacobs
L Taft

REGISTERED OFFICE:

Waterside House
Brunel Way
Stroudwater Business Park
Stonehouse
GL10 3SX

REGISTERED NUMBER:

01013726 (England and Wales)

AUDITORS:

Fawcetts LLP
Chartered Accountants
and Statutory Auditors
Windover House
St. Ann Street
Salisbury
SP1 2DR

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2024**

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

REVIEW OF BUSINESS

The company operates a chain of shops in the South of England and Wales with a growing proportion of the business generated from the online website.

The key financial highlights are as follows:

	2024	2023	2022	2021	2020	2019
Turnover	£13.6m	£13.4m	£15.9m	£15.3m	£11.9m	£14.3m
Gross profit margin	35.4%	39.1%	36.4%	37.5%	36.5%	37.1%

The directors are satisfied with the performance of the business given the current climate.

FUTURE DEVELOPMENTS

The Directors will continue to look for opportunities to develop the company's business of retail Yacht Chandlery.

PRINCIPAL RISKS AND UNCERTAINTIES

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board.

The company's operations expose it to a variety of financial risks. The company has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring risks in various aspects of its business. It does carry risks associated with financial instruments, foreign currency, price risk, credit risk, liquidity risk and interest rate risk.

Financial Instruments

The company's principal financial instruments comprise revolving cash advances and cash and short term deposits. The main purpose of these financial instruments is to raise finance for the company's operations. The company has various financial assets and financial liabilities such as trade debtors and trade creditors which arise directly from operations. It is the company's policy that no trading in financial instruments shall be undertaken. In order to ensure stability of cash outflows, and hence manage interest rate risk and liquidity risks, the company has a policy of maintaining money at call. The company does not use derivative financial instruments to manage interest rates and as such, no hedge accounting is applied.

Foreign Currency

There is a risk arising from the company's financial instruments in foreign currency fluctuation. The company has transactional currency exposure. Such exposure arises from sales and purchases in currencies other than sterling. No hedging of foreign currency is carried out.

Price risk

The company is exposed to changes in prices being charged from its suppliers generally, i.e. price risk as a result of its operations. The company mitigates this risk by principally agreeing prices in advance at the beginning of the season.

The company does not have any significant exposure to commodity price risks. The company has no exposure to listed equity securities price risk as it holds no listed securities.

Credit risk

STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2024

The company generally sells its products on a cash basis so there is limited credit risk. In cases where the company sells to customers on credit, the company has policies that require appropriate credit checks on potential customers before sales are made.

Liquidity risk

The company builds up cash balances during the strong sales period to ensure it has sufficient available funds for future operations and planned expansions. It reviews the level of annual banking overdraft facilities in light of this.

Interest rate risk

At varying times during the year the company has short term overdrafts and or interest-bearing liquid assets including cash deposits with its bank, the rates being fixed in line with money market rates. No deposit is made for a period exceeding one month. The directors will revisit the appropriateness of this policy should the company's operations change in size or nature.

ON BEHALF OF THE BOARD:

P McLuskie - Director

27 February 2025

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2024**

The directors present their report with the financial statements of the company for the year ended 31 October 2024.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of retail Yacht Chandlery.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2024 will be £100,662.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 November 2023 to the date of this report.

P McLuskie
L A Parr
S E Radford
W Booth
L Jacobs
L Taft

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2024

AUDITORS

The auditors, Fawcetts LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P McLuskie - Director

27 February 2025

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WINDWARD MARINE LIMITED**

Opinion

We have audited the financial statements of Windward Marine Limited (the 'company') for the year ended 31 October 2024 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 October 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WINDWARD MARINE LIMITED**

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 Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WINDWARD MARINE LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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:

Identifying and assessing potential risks related to irregularities and fraud

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we consider the following:

- the nature of the industry/sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risk of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following area: revenue and profit recognition. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

Audit response to risk identified

As a result of performing the above, we identified revenue and profit recognition, stock valuation, estimation techniques and management override of controls as key matters related to the potential risk of fraud or material misstatement. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- performing substantive procedures to ascertain the completeness, existence, valuation and, rights and obligations of stocks as at the year-end;
- understanding the entity's revenue recognition policies and how they are applied, including the relevant controls and processes and performing a walk-through to validate our understanding;

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WINDWARD MARINE LIMITED**

-
- performing analytical procedures to compare revenue recognised against expectations, past results, and management forecasts, and investigated material divergences by obtaining corroborative evidence;
 - reading minutes of meetings of those charged with governance and reviewing any correspondence with HMRC; and
 - in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Nicholas Jones FCCA (Senior Statutory Auditor)
for and on behalf of Fawcetts LLP
Chartered Accountants
and Statutory Auditors
Windover House
St. Ann Street
Salisbury
SP1 2DR

4 March 2025

**STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 31 OCTOBER 2024**

		2024	2023
	Notes	£	£
TURNOVER	4	13,631,466	13,443,404
Cost of sales		<u>8,815,760</u>	<u>8,183,250</u>
GROSS PROFIT		4,815,706	5,260,154
Distribution costs		3,252,755	3,092,761
Administrative expenses		<u>1,070,480</u>	<u>1,255,852</u>
		4,323,235	4,348,613
		492,471	911,541
Other operating income	5	<u>6,981</u>	<u>6,981</u>
		499,452	918,522
Interest receivable and similar income		<u>4,581</u>	<u>12</u>
		504,033	918,534
Interest payable and similar expenses	7	<u>43,007</u>	<u>37,056</u>
PROFIT BEFORE TAXATION	8	461,026	881,478
Tax on profit	9	<u>113,836</u>	<u>210,197</u>
PROFIT FOR THE FINANCIAL YEAR		347,190	671,281
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>347,190</u>	<u>671,281</u>

The notes form part of these financial statements

BALANCE SHEET
31 OCTOBER 2024

		2024	2023
	Notes	£	£
FIXED ASSETS			
Intangible assets	11	-	-
Tangible assets	12	<u>3,473,814</u>	<u>3,517,402</u>
		3,473,814	3,517,402
CURRENT ASSETS			
Stocks	13	5,721,656	5,106,851
Debtors	14	196,075	283,742
Cash at bank and in hand		<u>424,206</u>	<u>601,884</u>
		6,341,937	5,992,477
CREDITORS			
Amounts falling due within one year	15	<u>2,352,072</u>	<u>2,282,465</u>
NET CURRENT ASSETS		<u>3,989,865</u>	<u>3,710,012</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,463,679</u>	<u>7,227,414</u>
PROVISIONS FOR LIABILITIES	17	<u>29,825</u>	<u>40,088</u>
NET ASSETS		<u>7,433,854</u>	<u>7,187,326</u>
CAPITAL AND RESERVES			
Called up share capital	18	72,944	72,944
Share premium	19	92,139	92,139
Capital redemption reserve	19	3,445	3,445
Retained earnings	19	<u>7,265,326</u>	<u>7,018,798</u>
SHAREHOLDERS' FUNDS		<u>7,433,854</u>	<u>7,187,326</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 February 2025 and were signed on its behalf by:

P McLuskie - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2024**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 November 2022	72,944	6,447,450	92,139	3,445	6,615,978
Changes in equity					
Dividends	-	(99,933)	-	-	(99,933)
Total comprehensive income	-	671,281	-	-	671,281
Balance at 31 October 2023	<u>72,944</u>	<u>7,018,798</u>	<u>92,139</u>	<u>3,445</u>	<u>7,187,326</u>
Changes in equity					
Dividends	-	(100,662)	-	-	(100,662)
Total comprehensive income	-	347,190	-	-	347,190
Balance at 31 October 2024	<u>72,944</u>	<u>7,265,326</u>	<u>92,139</u>	<u>3,445</u>	<u>7,433,854</u>

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2024**

		2024	2023
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	434,643	999,685
Interest paid		(38,507)	(28,056)
Finance costs paid		(4,500)	(9,000)
Tax paid		(197,448)	(305,054)
Net cash from operating activities		<u>194,188</u>	<u>657,575</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(24,821)	(100,177)
Interest received		4,581	12
Net cash from investing activities		<u>(20,240)</u>	<u>(100,165)</u>
Cash flows from financing activities			
Amount introduced by directors		300,000	550,964
Amount withdrawn by directors		(550,964)	(504,103)
Equity dividends paid		(100,662)	(99,933)
Net cash from financing activities		<u>(351,626)</u>	<u>(53,072)</u>
(Decrease)/increase in cash and cash equivalents		<u>(177,678)</u>	<u>504,338</u>
Cash and cash equivalents at beginning of year	2	601,884	97,546
Cash and cash equivalents at end of year	2	<u>424,206</u>	<u>601,884</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2024**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2024 £	2023 £
Profit before taxation	461,026	881,478
Depreciation charges	68,409	69,818
Loss on disposal of fixed assets	-	20,571
Finance costs	43,007	37,056
Finance income	(4,581)	(12)
	<u>567,861</u>	<u>1,008,911</u>
(Increase)/decrease in stocks	(614,805)	615,757
Decrease in trade and other debtors	87,667	8,365
Increase/(decrease) in trade and other creditors	<u>393,920</u>	<u>(633,348)</u>
Cash generated from operations	<u><u>434,643</u></u>	<u><u>999,685</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 October 2024

	31.10.24 £	1.11.23 £
Cash and cash equivalents	<u>424,206</u>	<u>601,884</u>

Year ended 31 October 2023

	31.10.23 £	1.11.22 £
Cash and cash equivalents	<u>601,884</u>	<u>97,546</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.11.23 £	Cash flow £	At 31.10.24 £
Net cash			
Cash at bank and in hand	<u>601,884</u>	<u>(177,678)</u>	<u>424,206</u>
	<u>601,884</u>	<u>(177,678)</u>	<u>424,206</u>
Total	<u><u>601,884</u></u>	<u><u>(177,678)</u></u>	<u><u>424,206</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2024

1. **STATUTORY INFORMATION**

Windward Marine Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. Windward Marine Limited is a private company limited by shares incorporated in England, United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements. The nature of the company's operations and principal activities are retail Yacht Chandlery.

3. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the accounting policies below. The financial statements are presented in sterling which is the functional currency of the company. Based on the current financial position of the company together with expected future forecasts, the directors believe that the company is a going concern. The financial statements have therefore been prepared on a going concern basis.

Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for turnover and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

It was considered that there were no judgements or estimates which have any significant effect on amounts recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

3. ACCOUNTING POLICIES - continued**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sale of goods

Turnover from the sale of goods is recognised when significant risks and rewards of ownership of the goods have transferred to the buyer, the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the company and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is usually on dispatch of the goods for mail order sales or the point of sale in stores.

Amortisation

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

Goodwill - Over 10 years straight line or lease term

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold Improvements	- Shorter of 10 years or period of lease
Improvements to property	- 10% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 33% on cost and 20% on cost

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the profit and loss account. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Stocks

Stocks are stated 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 stock to its present location and condition. Cost is calculated using the weighted average cost. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

3. ACCOUNTING POLICIES - continued

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

3. ACCOUNTING POLICIES - continued**Foreign currencies**

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 result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Operating lease commitments

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

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2024	2023
	£	£
United Kingdom	13,631,466	13,443,404
	<u>13,631,466</u>	<u>13,443,404</u>

5. OTHER OPERATING INCOME

	2024	2023
	£	£
Rents received	<u>6,981</u>	<u>6,981</u>

6. EMPLOYEES AND DIRECTORS

	2024	2023
	£	£
Wages and salaries	2,000,998	1,935,610
Social security costs	164,827	157,270
Other pension costs	50,020	47,504
	<u>2,215,845</u>	<u>2,140,384</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

6. EMPLOYEES AND DIRECTORS - continued

The average number of employees during the year was as follows:

	2024	2023
Distribution staff	49	51
Administrative staff	3	3
Management staff	<u>22</u>	<u>22</u>
	<u>74</u>	<u>76</u>

	2024	2023
	£	£
Directors' remuneration	362,992	329,583
Directors' pension contributions to money purchase schemes	<u>21,642</u>	<u>20,085</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>5</u>	<u>5</u>
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Information regarding the highest paid director is as follows:

	2024	2023
	£	£
Emoluments etc	91,167	84,999
Pension contributions to money purchase schemes	<u>9,421</u>	<u>-</u>

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2024	2023
	£	£
Interest on other loans	38,507	28,056
Guarantee fees	<u>4,500</u>	<u>9,000</u>
	<u>43,007</u>	<u>37,056</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

8. PROFIT BEFORE TAXATION

The profit is stated after charging:

	2024	2023
	£	£
Depreciation - owned assets	68,409	69,818
Loss on disposal of fixed assets	-	20,571
Auditors' remuneration	19,050	14,000
Operating lease costs - land and buildings	<u>297,982</u>	<u>310,326</u>

9. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2024	2023
	£	£
Current tax:		
UK corporation tax	124,099	198,125
Deferred tax	<u>(10,263)</u>	<u>12,072</u>
Tax on profit	<u>113,836</u>	<u>210,197</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2024	2023
	£	£
Profit before tax	<u>461,026</u>	<u>881,478</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 25%)	115,257	220,370
Effects of:		
Capital allowances in excess of depreciation	-	(4,996)
Depreciation in excess of capital allowances	8,842	-
Movement in deferred tax on accelerated capital allowances	(10,263)	12,072
Loss on disposal of fixed assets	-	4,632
Increase in tax rate	-	(21,881)
Total tax charge	<u>113,836</u>	<u>210,197</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

10.	DIVIDENDS	2024 £	2023 £
	Ordinary shares of £1 each Interim	<u>100,662</u>	<u>99,933</u>
11.	INTANGIBLE FIXED ASSETS		
	COST		Goodwill £
	At 1 November 2023 and 31 October 2024		<u>220,000</u>
	AMORTISATION		
	At 1 November 2023 and 31 October 2024		<u>220,000</u>
	NET BOOK VALUE		
	At 31 October 2024		<u>-</u>
	At 31 October 2023		<u>-</u>

The goodwill has arisen on the purchase of retail marine chandleries.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

12. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold Improvements £	Improvement to property £
COST			
At 1 November 2023	3,342,967	104,674	34,445
Additions	-	-	-
Disposals	-	(747)	-
At 31 October 2024	<u>3,342,967</u>	<u>103,927</u>	<u>34,445</u>
DEPRECIATION			
At 1 November 2023	-	104,674	2,086
Charge for year	-	-	3,445
Eliminated on disposal	-	(747)	-
At 31 October 2024	<u>-</u>	<u>103,927</u>	<u>5,531</u>
NET BOOK VALUE			
At 31 October 2024	<u>3,342,967</u>	<u>-</u>	<u>28,914</u>
At 31 October 2023	<u>3,342,967</u>	<u>-</u>	<u>32,359</u>

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 November 2023	351,714	30,530	538,859	4,403,189
Additions	22,701	-	2,120	24,821
Disposals	-	-	-	(747)
At 31 October 2024	<u>374,415</u>	<u>30,530</u>	<u>540,979</u>	<u>4,427,263</u>
DEPRECIATION				
At 1 November 2023	275,294	30,530	473,203	885,787
Charge for year	30,144	-	34,820	68,409
Eliminated on disposal	-	-	-	(747)
At 31 October 2024	<u>305,438</u>	<u>30,530</u>	<u>508,023</u>	<u>953,449</u>
NET BOOK VALUE				
At 31 October 2024	<u>68,977</u>	<u>-</u>	<u>32,956</u>	<u>3,473,814</u>
At 31 October 2023	<u>76,420</u>	<u>-</u>	<u>65,656</u>	<u>3,517,402</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

13. STOCKS

	2024	2023
	£	£
Goods for resale	<u>5,721,656</u>	<u>5,106,851</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	140,099	190,440
Other debtors	574	20,896
Prepayments and accrued income	<u>55,402</u>	<u>72,406</u>
	<u>196,075</u>	<u>283,742</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	1,653,174	1,236,751
Corporation tax	124,776	198,125
Social security and other taxes	41,017	38,847
VAT	146,575	197,002
Other creditors	15,980	19,352
Directors' current accounts	300,000	550,964
Accruals and deferred income	<u>70,550</u>	<u>41,424</u>
	<u>2,352,072</u>	<u>2,282,465</u>

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	248,640	272,963
Between one and five years	657,685	386,875
In more than five years	<u>756,080</u>	<u>74,250</u>
	<u>1,662,405</u>	<u>734,088</u>

Total future minimum lease payments receivable under non-cancellable operating leases due within one year are £5,000 (2023: £5,000).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

17. PROVISIONS FOR LIABILITIES

	2024 £	2023 £
Deferred tax		
Accelerated capital allowances	29,825	40,088
	<u>29,825</u>	<u>40,088</u>
		Deferred tax £
Balance at 1 November 2023		40,088
Utilised during year		<u>(10,263)</u>
Balance at 31 October 2024		<u>29,825</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2024 £	2023 £
72,944	Ordinary	£1	<u>72,944</u>	<u>72,944</u>

19. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 November 2023	7,018,798	92,139	3,445	7,114,382
Profit for the year	347,190	-	-	347,190
Dividends	<u>(100,662)</u>	-	-	<u>(100,662)</u>
At 31 October 2024	<u>7,265,326</u>	<u>92,139</u>	<u>3,445</u>	<u>7,360,910</u>

20. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost represents contributions payable by the company to the fund.

The pension charge in the year amounted to £50,020 (2023: £47,504).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2024

21. **RELATED PARTY DISCLOSURES**

P McLuskie has given a personal guarantee of £300,000 to the company's bankers.

An amount of £300,000 is owed to the P McLuskie at year-end (2023 - £550,964).

Key management personnel

All directors who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. Total remuneration (including employers national insurance) in respect of these individuals is £362,992 (2023: £329,583) and total pension contributions of £21,642 (2023: £20,085).

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