

PenCarrie Limited

**Annual Report and Financial Statements
Period from 30 December 2023 to 27 December 2024**

Registration number: 03371637

PenCarrie Limited

Contents

Company Information	1
Strategic Report	2 to 5
Directors' Report	6 to 8
Statement of Directors' Responsibilities	9
Independent Auditor's Report	10 to 13
Statement of Income and Retained Earnings	14
Balance Sheet	15
Statement of Cash Flows	16
Notes to the Financial Statements	17 to 33

PenCarrie Limited

Company Information

Directors Nicci Gratwicke
 Sarah Irving
 Clare Persey
 Mark Greenwood
 Gary Stokes
 Mark Campbell

Company secretary Mark Greenwood

Registered office PenCarrie House
 South View Estate
 Willand
 Cullompton
 Devon
 EX15 2QW

Auditors PKF Francis Clark
 Statutory Auditor
 Centenary House
 Peninsula Park
 Rydon Lane
 Exeter
 EX2 7XE

PenCarrie Limited

Strategic Report for the Period from 30 December 2023 to 27 December 2024

The directors present their strategic report for the period from 30 December 2023 to 27 December 2024.

Principal activity

PenCarrie Limited is a family owned and run B2B business, that has been a pioneer in its industry for over 30 years. Founded in 1991 by the late Paul Persey, his sister-in-law Penny and wife Caroline (Pen and Carrie) to distribute the very best promotional clothing and accessories to the decoration and reseller market, delivered with the highest level of service across all operations. The principal activity of the company is as a B2B multi-brand distributor of clothing and related products to the UK, Ireland and mainland Europe.

At the heart of the Company is its Mission 'To be the distribution partner that enables exceptional customer success' and it is this focus on the customer that drives everything and everyone.

Nicci Gratwicke (Paul and Caroline's eldest daughter) now leads the business, alongside Mark Campbell who joined as CEO in April 2024. Their focus is on leading the business to continually develop its offering to provide an industry leading and constantly evolving range of both product and services, to meet and exceed customer needs. Of equal importance is the desire to be a beacon of best practice as a responsible business and employer.

The Company supplies a portfolio of around 80 brands across 3700+ styles to a large and diverse customer base of decorators, trade resellers, wholesalers, retailers and e-commerce who in turn supply a broad range of industry sectors including promotional and merchandise, sports, team and leisurewear, workwear and corporate uniform, school, college and university wear, safety wear, hospitality, fashion and more. From its sites in Willand, Devon, the Company employs c.300 people split across warehouse and office functions, plus a dynamic on-the-road Sales and Business Development Team currently covering the UK and Ireland.

People have, and always will be, the heart of the business. Customers, suppliers and the team are what make PenCarrie what it is today and the authentic and personal approach echoes what was started in 1991, with some original team members still working in the business. The Company is exceptionally proud of its heritage and long-standing reputation as the most trusted and reliable supplier in the industry.

As part of the business strategy, PenCarrie has a clear vision for their team, with Company culture and behaviours that help to shape its success for the future. Sitting under its Mission are a set of Values that guide the team in all aspects of their work and performance:

"The Distribution Partner that Enables Exceptional Customer Success"

- We're dedicated to customer success
- We build strong and respectful relationships
- We look forward and embrace change
- We're proud of everything we do
- We grow responsibly

PenCarrie Limited

Strategic Report for the Period from 30 December 2023 to 27 December 2024

Fair review of the business

The company's key performance indicators are shown below.

Financial KPIs	Unit	2024	2023
Turnover	£'m	118.6	121.0
Gross Profit	£'m	34.2	33.9
Gross Profit %	%	28.8	28.0
Profit Before Tax	£'m	7.4	7.4
EBITDA	£'m	9.2	9.5

2024 proved to be challenging in terms of overall market performance and saw a decline in the company's revenue after a relatively flat performance in 2023 and strong growth in the preceding years. The continued weakening of the broader economy adversely impacted market demand, but despite this we were able to strengthen margins, control our costs and maintain a consistent level of profit before tax year on year.

The garment decorating market itself has continued to evolve rapidly and the growth in the sector that was seen post Covid has now returned to more moderate levels. Market pricing was relatively stable compared to previous years, and a favourable product mix supported a significant improvement in gross profit rates compared to the prior year.

Productivity and a focus on business efficiency have been a key focus throughout the period. Costs have been well managed, with increases from the continued investment in our people being largely offset by savings across the rest of the cost base.

The strong profit performance in the year has generated a positive cashflow resulting in a net cash position at the end of the year of £0.8m, after a number of years of carrying net borrowings.

We therefore remain a profitable, cash generative business with clear opportunities to improve business performance through the implementation of our extensive strategic transformation programme.

Since joining the Company, CEO Mark Campbell has spent the year getting to know the business and industry at all levels and across all stakeholders: customers, suppliers and industry partners and is now fully focused on delivering a transformation programme that will create the foundations for the next phase of company growth. Putting the customer first, embracing the digital agenda and using technology to drive innovation and unlock productivity are central to this plan.

A multi-year investment programme in people, technology and infrastructure, has been developed, which starts with the implementation of a new ERP system which will be delivered across 2025 and 2026. This system will create the platform for growth, support productivity and allow the business to fully embrace the digital agenda.

Operationally, the opening of a new bulk stock storage facility has allowed the business to drive significant efficiencies and further improve flexibility and customer responsiveness, which along with investments in warehouse management systems and improved labour planning delivered significant improvements in cost, both financially and environmentally.

PenCarrie Limited

Strategic Report for the Period from 30 December 2023 to 27 December 2024

Principal risks and uncertainties

Competition remains strong in our chosen markets, and we have reacted to this by constantly striving to improve our offer to customers, particularly in terms of service. As well as the long term investment in our business transformation programme, we continue to invest in improvements to our website and customer service capability. Our business development teams provide ongoing value for both longstanding and new customers.

Inflation and cost of living

UK inflation levels started to reduce during 2024, although the anticipated downward trajectory of interest rates from the elevated levels put in place by the Bank of England did not materialise during the year. Weak demand across many economic sectors continued, and the ongoing economic uncertainty and risk of inflation remaining above its core target of 2% remains a key challenge for all businesses. However, we managed the impacts in 2024, and remain focused on mitigating the impact of this uncertainty by staying agile and being able to react to changes in the business environment as they unfold.

Labour availability

Retaining and recruiting high quality staff is critically important to the business and whilst pressure on availability abated somewhat during the year, this continues to be a key focus. The Company enhanced its LinkedIn presence during the year to develop its profile both as an employer and as a key distributor in the market. We continue to review and benchmark our employee offer and this activity will continue in 2025 and beyond.

Section 172 statement

Engaging with stakeholders

The success of our business is dependent on the support of all our stakeholders. Building positive relationships with stakeholders that share our values is important to us. Working together and considering our stakeholders' perspectives on our decision making and planning is crucial in delivering our long-term sustainable success.

Employee engagement

We believe in fostering a keen sense of being part of the PenCarrie community among our people and ensuring that their perspectives are heard. Communication with staff takes place formally through a quarterly briefing from the Owner and CEO which provides an update on company performance in addition to other relevant matters as they arise. These briefings include updates from all business functions aimed at keeping employees up to date with new developments and improving their understanding of business processes. Feedback and questions are encouraged at these briefings.

The business has an active and engaged Staff Forum, which collaborates directly with senior Managers and Directors on staff initiatives, raising funds for the nominated charities, arranging staff events, and providing workplace improvement suggestions. Staff Forum representatives are consulted regularly on a wide range of matters affecting their current and future interests.

There is a monthly Company newsletter, and frequent team and departmental meetings also take place.

Of critical importance to our employees is the need to support their wellbeing and the business has continued to provide this resource through our Mental Health First Aid team, access to Employee Assistance Support resources and various events throughout the year.

PenCarrie Limited

Strategic Report for the Period from 30 December 2023 to 27 December 2024

Disabled employees

The company will always fully consider applications for employment from disabled persons, and they will not be disadvantaged by any conditions of employment that cannot be justified necessary on operational grounds. Reasonable adjustments are made wherever possible to support employment and all team members complete Equality, Diversity and Inclusion training. Where an existing employee becomes disabled, every effort is made to ensure that their employment continues through training, workplace and role evaluation, and changes to working hours where appropriate.

The company will not disadvantage disabled persons in provision of training, career development or promotion.

External stakeholders

We maintain consistent communication and engagement with our external stakeholders.

The website and our email campaigns are the key tools which allow us to engage with customers and we also continue to support the more traditional ongoing customer relationship management through our sales, customer service and management teams. This enables timely and clear communication including product availability, deliveries and other customer issues.

The Board maintains close relationships with other key business partners. We work openly and collaboratively with lenders, brand partners and other suppliers. Brand partner relationships in particular are long standing, and we establish regular dialogue regarding environmental and sustainability progress as well as sourcing and range decisions.

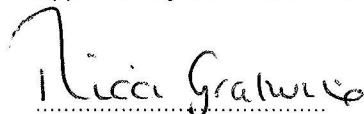
The Board

The shareholders and directors are proud to support the local community and, as well as PenCarrie Limited making discreet donations to local charities, the shareholders set up the PenCarrie Foundation during 2024 with a brief to make strategic grants to charities focused on investing in areas of high relative deprivation in Devon and improving the lives of children and young people facing significant challenges. The value of these charitable donations across the year totalled £227k.

The Board approved an updated Modern Slavery Policy during the year which has been made available to all stakeholders and reinforces our commitment to upholding ethical standards throughout our supply chain.

2025 will see a continuation of work to prioritise our sustainability objectives, actively challenging across all operations and ensuring our constant progress as a responsible business.

Approved by the Board on 25/4/25 and signed on its behalf by:



Nicci Gratwicke
Director



Mark Campbell
Director

PenCarrie Limited

Directors' Report for the Period from 30 December 2023 to 27 December 2024

The directors present their report and the financial statements for the period from 30 December 2023 to 27 December 2024.

Directors of the company

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

Nicci Gratwicke

Tony Lock (ceased 2 April 2024)

Sarah Irving

Clare Persey

Mark Greenwood

Gary Stokes

Mark Campbell (appointed 2 April 2024)

Dividends

Dividends of £1,369,606 were paid during the period.

Financial instruments

Objectives and policies

The company's principal financial instruments comprise bank balances, trade creditors and trade debtors. The main purpose of these instruments is to raise funds for the company's operations.

Price risk, credit risk, liquidity risk and cash flow risk

Credit risk

The current financial climate carries the same risk for PenCarrie as for many companies. Apart from the risk of declining demand, the directors are conscious of the risks related to a possible shortage of business finance for customers. For this reason, the company's credit management processes are continually reviewed and, where necessary, tightened.

Liquidity risk

The company finances its operations through a mixture of retained profits, bank and other borrowings. The company's policy is to ensure that, as a minimum, all projected net borrowing needs are covered by committed facilities arranged and approved by the board.

The company utilises forward currency contracts to reduce exposure to foreign exchange rates. In addition, the company operates foreign currency bank accounts to offset the exposure on payables.

Environmental report

Emissions and energy consumption

The assessment has been conducted in accordance with the GHG Protocol Corporate Accounting and Reporting Standard using the Government Conversion Factors for Company Reporting. Emissions reported here comply with the SECR guidelines published by BEIS (2019) and includes consumption and GHG emissions for UK electricity and gas use, as well as road transportation for business travel purposes.

PenCarrie Limited

Directors' Report for the Period from 30 December 2023 to 27 December 2024

Summary of greenhouse gas emissions and energy consumption for the period from 30 December 2023 to 27 December 2024:

Data	Unit of measurement	2024	2023
Energy consumption used to calculate emissions - Gas	kWh	1,138,119	944,083
Energy consumption used to calculate emissions - Electricity	kWh	912,753	817,558
Energy consumption used to calculate emissions - Transport	kWh	315,545	350,751
Energy consumption used to calculate emissions - Total	kWh	2,366,417	2,112,393
Emissions from combustion of gas	tCO ₂ e	208	172
Emissions from combustion of fuel for transport purposes	tCO ₂ e	84	83
Emissions from purchased electricity	tCO ₂ e	189	169
Total gross CO ₂ e	tCO ₂ e	481	424
Turnover	£m	119	121
Intensity ratio	tCO ₂ e/£1m	4.1	3.6

PenCarrie is committed to reducing its carbon emissions wherever possible. As shown above, total emissions have increased in 2024 compared to 2023 and compared to the prior year there has been an increase of 15.7% in our intensity ratio, defined as tonnes of CO₂ emissions as a percentage of Turnover. The main driver behind this increase was the implementation of a new bulk warehouse facility and the temporary dual running of this new site with two pre-existing warehouses in Q1 as the new site operational capacity was ramped up. The two older warehouses were then fully de-commissioned and closed during the year. This new warehouse is expected to provide ongoing operational efficiencies and a net reduction in power usage compared to the previous operational set-up.

Other factors contributing to the increase in energy usage included:

- The main site opening on a number of non-trading days to facilitate essential maintenance
- One solar array being non-operational at end of year increasing our grid electricity consumption
- Impact of weather (average SW England temperatures in 2024 were 3.5% lower than 2023) with the seasonal variation in temperatures vs prior year contributing to increased gas and electricity consumption.

A full ESOS (Energy Savings Opportunities Scheme) audit was undertaken during 2024 in line with our statutory requirements and a number of actions were identified to reduce energy usage.

Key activities undertaken during 2024 to reduce energy use were:

- Improved warehouse management processes supported by the new bulk warehouse and IT development have significantly reduced van mileage due to lower box movements
- Timing switches and thermostats acquired – to be installed 2025
- Additional solar array installation started – to be completed 2025

Future planned initiatives include the following:

- Bringing online additional solar PV arrays.
- Research into commercial battery storage.
- Exploring options for complete energy 'power down' of unoccupied zones outside of core hours
- Implementing improved heating, water boiler and power control across the sites
- Continuing review of plastic use in the warehouse to set usage reduction targets.
- Further motion-controlled lighting in more areas of the business

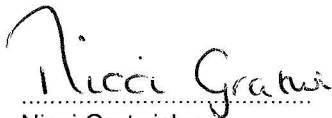
PenCarrie Limited

Directors' Report for the Period from 30 December 2023 to 27 December 2024

Disclosure of information to the auditors

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 auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 25/4/25 and signed on its behalf by:



Nicci Gratwicke
Director



Mark Campbell
Director

PenCarrie Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

PenCarrie Limited

Independent Auditor's Report to the Members of PenCarrie Limited

Opinion

We have audited the financial statements of PenCarrie Limited (the 'company') for the period from 30 December 2023 to 27 December 2024, which comprise the Statement of Income and Retained Earnings, Balance Sheet, 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 company's affairs as at 27 December 2024 and of its profit for the period 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 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 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 company'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 directors are responsible for the 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.

PenCarrie Limited

Independent Auditor's Report to the Members of PenCarrie Limited

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 Strategic Report and Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 Strategic Report and the Directors' Report.

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

- adequate accounting records have not been kept, 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 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

PenCarrie Limited

Independent Auditor's Report to the Members of PenCarrie Limited

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations as relating to breaches around health and safety regulations and breaches of The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as The Companies Act 2006, and relevant tax legislation. We considered the extent to which non-compliance with these laws and regulations may have a material effect on the financial statements.

We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risks were related to the overstatement of profit, either through overstating revenue, understating expenditure or management bias in accounting estimates.

Based on this understanding we designed our audit procedures to identify irregularities. Our procedures involved the following:

- Enquiries to members of Senior Management, regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements;
- Review of any health and safety incidents which have been reported under The Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013 ("RIDDOR") during the period;
- Review of the company's controls in relation to GDPR and enquiries to Senior Management as to the occurrence and outcome of any reportable breaches;
- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Evaluation of the design and testing the implementation of management's key controls designed to prevent and detect irregularities;
- Testing the recognition of revenue and costs, in particular around the year end date;
- Reviewing draft tax computations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate omissions, collusion, forgery, misrepresentations, or the override of internal controls. We are also less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

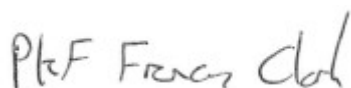
A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

PenCarrie Limited

Independent Auditor's Report to the Members of PenCarrie Limited

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.



Glenn Nicol (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Centenary House
Peninsula Park
Rydon Lane
Exeter
EX2 7XE

Date: 18 June 2025

PenCarrie Limited

Statement of Income and Retained Earnings

Period from 30 December 2023 to 27 December 2024

	Note	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Turnover	3	118,629,080	120,967,367
Cost of sales		<u>(84,475,729)</u>	<u>(87,039,164)</u>
Gross profit		34,153,351	33,928,203
Distribution costs		(12,695,661)	(12,373,117)
Administrative expenses		<u>(13,934,270)</u>	<u>(13,973,486)</u>
Operating profit	4	7,523,420	7,581,600
Other interest receivable and similar income		1,762	27,760
Interest payable and similar charges	8	<u>(104,343)</u>	<u>(174,944)</u>
Profit before tax		7,420,839	7,434,416
Taxation	9	<u>(1,902,254)</u>	<u>(1,708,694)</u>
Profit for the financial period		5,518,585	5,725,722
Retained earnings brought forward		41,739,037	46,598,824
Dividends paid		<u>(1,369,606)</u>	<u>(10,585,509)</u>
Retained earnings carried forward		<u><u>45,888,016</u></u>	<u><u>41,739,037</u></u>

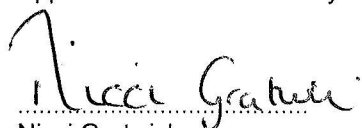
PenCarrie Limited

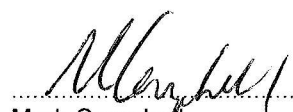
Balance Sheet

27 December 2024

	Note	27 Dec 2024 £	29 Dec 2023 £
Fixed assets			
Intangible assets	10	-	417,440
Tangible assets	11	1,994,886	2,898,825
		<u>1,994,886</u>	<u>3,316,265</u>
Current assets			
Stocks	12	34,874,636	34,065,568
Debtors	13	19,100,831	19,103,007
Cash at bank and in hand		770,966	95,500
		<u>54,746,433</u>	<u>53,264,075</u>
Creditors: Amounts falling due within one year	15	<u>(10,146,347)</u>	<u>(13,608,427)</u>
Net current assets		<u>44,600,086</u>	<u>39,655,648</u>
Total assets less current liabilities		46,594,972	42,971,913
Creditors: Amounts falling due after more than one year	15	-	(433,407)
Provisions for liabilities	18	<u>(701,956)</u>	<u>(794,469)</u>
Net assets		<u>45,893,016</u>	<u>41,744,037</u>
Capital and reserves			
Called up share capital		5,000	5,000
Profit and loss account		<u>45,888,016</u>	<u>41,739,037</u>
Shareholders' funds		<u>45,893,016</u>	<u>41,744,037</u>

Approved and authorised by the Board on 25/4/25 and signed on its behalf by:


 Nicci Gratwicke
 Director


 Mark Campbell
 Director

Company Registration Number: 03371637

PenCarrie Limited

Statement of Cash Flows

Period from 30 December 2023 to 27 December 2024

	Note	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Cash flows from operating activities			
Profit for the period		5,518,585	5,725,722
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	1,665,319	1,899,194
Loss on disposal of tangible assets		81,087	-
Finance income		(1,762)	(27,760)
Finance costs	8	104,343	174,944
Tax expense	9	1,902,254	1,708,694
		<u>9,269,826</u>	<u>9,480,794</u>
Working capital adjustments			
(Increase)/decrease in stocks	12	(809,068)	2,775,698
Decrease in trade debtors	13	2,176	965,803
(Decrease)/increase in trade creditors	15	(2,479,425)	1,336,910
Increase in provisions	18	53,487	13,973
		<u>6,036,996</u>	<u>14,573,178</u>
Cash generated from operations			
Taxes paid	9	(1,673,638)	(2,275,141)
Net cash flow from operating activities		<u>4,363,358</u>	<u>12,298,037</u>
Cash flows from investing activities			
Interest received		1,762	27,760
Acquisitions of tangible assets		(425,027)	(929,796)
Acquisition of intangible assets	10	-	(52,672)
Net cash flows from investing activities		<u>(423,265)</u>	<u>(954,708)</u>
Cash flows from financing activities			
Interest paid	8	(104,343)	(174,944)
Payments to finance lease creditors		(460,901)	(448,793)
Dividends paid	20	(1,369,606)	(10,585,509)
Net cash flows from financing activities		<u>(1,934,850)</u>	<u>(11,209,246)</u>
Net increase in cash and cash equivalents		2,005,243	134,083
Cash and cash equivalents at 30 December		<u>(1,234,277)</u>	<u>(1,368,360)</u>
Cash and cash equivalents at 27 December		<u><u>770,966</u></u>	<u><u>(1,234,277)</u></u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 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:

PenCarrie House
South View Estate
Willand
Cullompton
Devon
EX15 2QW

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.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. There are no material departures from FRS102.

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The functional currency of PenCarrie Limited is considered to be pounds sterling because this is the currency of the primary economic environment in which the company operates.

Going concern

Taking into account all available information to date, including the results, cash position, strength of the balance sheet and future trading forecasts across the next 12 months, the board of directors have assessed the ability of the company to continue as a going concern, and consider the going concern assumption is appropriate when preparing its financial statements.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

Judgements

Stock impairment losses - These occur when the ultimate selling price of stock items is less than the net cost. In arriving at this impairment loss, judgements and estimates have been used to assess the anticipated future selling prices of stocks held at the reporting date, particularly in respect of slow-moving and non-current stock items.

Key sources of estimation uncertainty

Dilapidations provision - Under the terms of its property leases the company has obligations to make good property dilapidations that arise throughout the term of those leases. In arriving at this provision, judgements and estimates have been used to assess the expected level of such costs.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for the sale of goods supplied and services rendered net of discounts and value added tax.

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

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

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 corporation 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 company operates and generates taxable income.

Deferred tax is recognised on all timing differences at the balance sheet date unless indicated below. Timing differences are differences between taxable profits and the results as stated in the profit and loss account and other comprehensive income. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses.

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	20% pa straight line
Website construction costs	33.3% pa straight line

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, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Short leasehold property	Straight line over the life of the lease
Plant and machinery	20% pa straight line
Fittings, fixtures and equipment	20% pa straight line
Motor vehicles	25% pa straight line
Computers and related equipment	33.3% pa straight line

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location.

Provisions

Provisions are recognised when the company has an obligation at the reporting date as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

Financial instruments

Classification

The company holds the following financial instruments that are classified as basic:

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

In addition, the company also has foreign exchange contracts that are not 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.

The company uses forward currency contracts to reduce exposure to foreign exchange rates and to apply a level of certainty to amounts being paid for goods and services. Derivatives are initially recognised at fair value on the date the derivatives are entered into and are subsequently revalued to the fair value at the period end. Changes in the fair value of derivatives are recognised in the income statement under the most appropriate heading. The fair value of forward currency contracts is calculated by reference to comparable contracts with similar maturity profiles.

3 Turnover

Turnover represents the sale of promotional products and related support services to business customers and, to a smaller extent, suppliers of product, which the company represents.

The whole of turnover is attributable to the principal activity of the company. Although mostly undertaken in the UK there is also an element of export trading both within the rest of Europe and beyond. No analysis of such amounts is given due to this being considered commercially sensitive information.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

4 Operating profit

Arrived at after charging/(crediting)

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Depreciation expense	1,301,625	1,284,750
Amortisation expense	363,694	614,444
Foreign exchange (gains)/losses	(50,790)	21,265
Operating lease expense - plant and machinery	107,920	123,865
Operating lease expense - other	1,549,626	1,389,347
Loss on disposal of property, plant and equipment	81,087	-

5 Staff costs

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

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Wages and salaries	11,567,828	10,591,591
Social security costs	1,168,691	1,249,542
Pension costs, defined contribution scheme	380,621	323,885
	<u>13,117,140</u>	<u>12,165,018</u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

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

	52 weeks ended 27 Dec 2024 No.	52 weeks ended 29 Dec 2023 No.
Directors	6	6
Warehouse & despatch	173	175
Customer service & administration	128	126
	<u>307</u>	<u>307</u>

6 Directors' remuneration

The directors' remuneration for the period was as follows:

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Remuneration	728,386	898,177
Contributions paid to money purchase schemes	20,939	28,130
	<u>749,325</u>	<u>926,307</u>

During the period the number of directors who were receiving benefits and share incentives was as follows:

	52 weeks ended 27 Dec 2024 No.	52 weeks ended 29 Dec 2023 No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>5</u>

In respect of the highest paid director:

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Remuneration	225,000	418,131
Company contributions to money purchase pension schemes	<u>11,250</u>	<u>14,000</u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

7 Auditor's remuneration

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Audit of the financial statements	<u>44,100</u>	<u>40,850</u>

8 Interest payable and similar expenses

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Interest on bank overdrafts and borrowings	85,025	142,759
Interest on obligations under finance leases and hire purchase contracts	18,231	30,338
Interest expense on other finance liabilities	<u>1,087</u>	<u>1,847</u>
	<u>104,343</u>	<u>174,944</u>

9 Taxation

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

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Current taxation		
UK corporation tax	2,023,050	1,730,063
UK corporation tax adjustment to prior periods	<u>25,204</u>	<u>33,631</u>
	2,048,254	1,763,694
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(146,000)</u>	<u>(55,000)</u>
Tax expense in the income statement	<u>1,902,254</u>	<u>1,708,694</u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

The tax on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2023 - lower than the standard rate of corporation tax in the UK) of 25% (2023 - 23.52%).

The differences are reconciled below:

	52 weeks ended 27 Dec 2024 £	52 weeks ended 29 Dec 2023 £
Profit before tax	7,420,839	7,434,416
Corporation tax at standard rate	1,855,210	1,748,575
Effect of expense not deductible in determining taxable profit	7,938	31,561
Deferred tax expense/(credit) relating to changes in tax rates or laws	7,991	(2,145)
Increase from adjustment for prior periods	25,205	33,631
Tax increase from other short-term timing differences	5,918	2,470
Tax decrease arising from group relief	(8)	(105,438)
Other tax effects for reconciliation between accounting profit and tax expense	-	40
Total tax charge	1,902,254	1,708,694
Deferred tax		
Deferred tax assets and liabilities		
2024		Liability £
Accelerated capital allowances		-
		-
2023		Liability £
Accelerated capital allowances		146,000
		146,000

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

10 Intangible assets

	Goodwill £	Website £	Total £
Cost or valuation			
At 30 December 2023	579,996	1,871,870	2,451,866
Disposals	-	(1,871,870)	(1,871,870)
At 27 December 2024	579,996	-	579,996
Amortisation			
At 30 December 2023	579,996	1,454,430	2,034,426
Amortisation charge	-	363,694	363,694
Amortisation eliminated on disposals	-	(1,818,124)	(1,818,124)
At 27 December 2024	579,996	-	579,996
Carrying amount			
At 27 December 2024	-	-	-
At 29 December 2023	-	417,440	417,440

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

11 Tangible assets

	Short leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Computers and related equipment £	Total £
Cost or valuation						
At 30 December 2023	273,250	5,257,723	4,583,497	91,930	1,707,233	11,913,633
Additions	14,857	57,790	231,834	-	120,546	425,027
Disposals	-	(2,173,830)	(2,734,328)	(91,930)	(1,615,201)	(6,615,289)
At 27 December 2024	288,107	3,141,683	2,081,003	-	212,578	5,723,371
Depreciation						
At 30 December 2023	162,510	4,030,349	3,220,841	91,925	1,509,183	9,014,808
Charge for the period	29,573	675,632	448,575	-	147,845	1,301,625
Eliminated on disposal	-	(2,173,650)	(2,731,299)	(91,925)	(1,591,074)	(6,587,948)
At 27 December 2024	192,083	2,532,331	938,117	-	65,954	3,728,485
Carrying amount						
At 27 December 2024	96,024	609,352	1,142,886	-	146,624	1,994,886
At 29 December 2023	110,740	1,227,374	1,362,656	5	198,050	2,898,825

Included within the net book value of £1,994,886 (2023: £2,898,825) is £361,487 (2023: £893,428) relating to assets held under finance leases and similar hire purchase contracts.

12 Stocks

	27 Dec 2024 £	29 Dec 2023 £
Finished goods and goods for resale	34,874,636	34,065,568

13 Debtors

	27 Dec 2024 £	29 Dec 2023 £
Trade debtors	18,002,269	17,228,066
Other debtors	32,147	22,240
Prepayments and accrued income	1,066,415	1,852,701
	19,100,831	19,103,007

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

14 Cash and cash equivalents

	27 Dec 2024 £	29 Dec 2023 £
Cash at bank	770,966	95,500
Bank overdrafts	-	(1,329,777)
Cash and cash equivalents in statement of cash flows	<u>770,966</u>	<u>(1,234,277)</u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

15 Creditors

	Note	27 Dec 2024 £	29 Dec 2023 £
Due within one year			
Loans and borrowings	16	433,407	1,790,678
Trade creditors		5,248,741	7,017,070
Corporation tax	9	1,104,616	730,000
Social security and other taxes		1,253,663	1,607,096
Other creditors		180,486	36,676
Accruals		1,925,434	2,426,907
		<u>10,146,347</u>	<u>13,608,427</u>
Due after one year			
Loans and borrowings	16	<u>-</u>	<u>433,407</u>

16 Loans and borrowings

	27 Dec 2024 £	29 Dec 2023 £
Non-current loans and borrowings		
Hire purchase contracts	<u>-</u>	<u>433,407</u>
Current loans and borrowings		
Bank overdrafts	-	1,329,777
Hire purchase contracts	<u>433,407</u>	<u>460,901</u>
	<u>433,407</u>	<u>1,790,678</u>

Bank advances received against agreed Sales Invoice Finance facilities are secured against combined assets of the group and are subject to a formal registered charge.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

17 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	27 Dec 2024 £	29 Dec 2023 £
Not later than one year	433,407	460,901
Later than one year and not later than five years	-	433,407
	<u>433,407</u>	<u>894,308</u>

Operating leases

The total of future minimum lease payments is as follows:

	27 Dec 2024 £	29 Dec 2023 £
Not later than one year	1,690,056	1,433,955
Later than one year and not later than five years	4,327,271	4,353,580
Later than five years	1,390,060	1,744,969
	<u>7,407,387</u>	<u>7,532,504</u>

The amount of non-cancellable operating lease payments recognised as an expense during the period was £1,657,546 (2023 - £1,513,212).

18 Provisions for liabilities

	Deferred tax £	Dilapidations and repairs £	Total £
At 30 December 2023	146,000	648,469	794,469
Increase (decrease) in existing provisions	<u>(146,000)</u>	<u>53,487</u>	<u>(92,513)</u>
At 27 December 2024	<u>-</u>	<u>701,956</u>	<u>701,956</u>

A provision is being recognised for the costs of making good dilapidations on leasehold properties.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

19 Share capital

Allotted, called up and fully paid shares

	27 Dec 2024		29 Dec 2023	
	No.	£	No.	£
Ordinary shares of £1 each	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>

20 Dividends

Interim dividends paid

	27 Dec 2024 £	29 Dec 2023 £
Interim dividend of £273.92 (2023 - £2,117.10) per each Ordinary share	<u>1,369,606</u>	<u>10,585,509</u>

21 Parent and ultimate parent undertaking

The company's immediate and ultimate parent is PenCarrie Holdings Limited, incorporated in England and Wales.

The most senior parent entity producing publicly available financial statements is PenCarrie Holdings Limited. PenCarrie Holdings Limited is the parent of the smallest and largest group in which these financial statements are consolidated. The PenCarrie Holdings Limited financial statements are available upon request from Companies House

The ultimate controlling party is Nicci Gratwicke.

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

22 Analysis of changes in net debt

	At 30 December 2023 £	Cash flows £	At 27 December 2024 £
Cash and cash equivalents			
Cash	95,500	675,466	770,966
Overdrafts	<u>(1,329,777)</u>	<u>1,329,777</u>	<u>-</u>
	(1,234,277)	2,005,243	770,966
Borrowings			
Lease liabilities	<u>(894,308)</u>	<u>460,901</u>	<u>(433,407)</u>
	<u><u>(2,128,585)</u></u>	<u><u>2,466,144</u></u>	<u><u>337,559</u></u>

23 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the company to the scheme and amounted to £380,621 (2023 - £323,885).

24 Related party transactions

Income and receivables from related parties

	Entities with joint control or significant influence £
2024	
Sale of goods	<u>95,688</u>
Amounts receivable from related party	<u><u>3,244,998</u></u>
	Entities with joint control or significant influence £
2023	
Sale of goods	<u>138,062</u>
Amounts receivable from related party	<u><u>2,108,852</u></u>

PenCarrie Limited

Notes to the Financial Statements

Period from 30 December 2023 to 27 December 2024

Expenditure with and payables to related parties

	Entities with joint control or significant influence £
2024	
Purchase of goods	32,502,465
Amounts payable to related party	<u>951,521</u>

	Entities with joint control or significant influence £
2023	
Purchase of goods	33,845,984
Amounts payable to related party	<u>1,024,347</u>

Loans to related parties

	Entities with joint control or significant influence £	Total £
2023		
Advanced	6,000,000	6,000,000
Repaid	(6,027,760)	(6,027,760)
Interest transactions	<u>27,760</u>	<u>27,760</u>
At end of period	<u>-</u>	<u>-</u>