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Cake Box Holdings PLC
11 June 2024

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Cake Box Holdings plc

("Cake Box" or the "Company" or the "Group")

Audited Full Year Results for the 12 months ended 31 March 2024

Robust growth in revenues and profits driven by increased franchise store sales, new store openings, and enhanced efficiencies

Cake Box Holdings plc, the UK's largest retailer of fresh cream celebration cakes, announces its audited full year results for the twelve months ended 31 March 2024.

Financial Highlights

	Full Year ended 31-Mar-24	As restated Full Year ended 31-Mar-23	Change***
Revenue	£37.84m	£34.80m	8.7%
Gross profit	£19.94m	£17.17m	16.1%
EBITDA*	£7.70m	£6.66m	15.6%
Adjusted EBITDA**	£7.46m	£6.66m	12.0%
Profit before tax	£6.26m	£5.43m	15.1%
Adjusted profit before tax**	£6.02m	£5.43m	10.6%
Net cash	£7.31m	£6.12m	19.5%
Basic earnings per share	11.65p	10.59p	10.0%
Final Dividend recommended	6.10p	5.50p	10.9%

* EBITDA is calculated as operating profit before depreciation and amortisation
** Adjusted EBITDA and profit before and after tax are after adjusting for exceptional items
*** % change is based on amounts in the Consolidated Statement of Comprehensive Income

- Group revenue up 8.7% to £37.8m (2023: £34.8m), reflecting an increase in franchise store like-for-like sales and the addition of 20 new stores opening in the year.
- Gross margin increased to 52.7% (2023: 49.4%), due to enhanced efficiencies in the production facilities and the stabilisation of raw material and freight costs.
    - The gross margin has been impacted by the national marketing levy revenue in FY24, as the costs associated with the revenue are included in administrative expenses
    - Excluding this impact, gross margin for FY24 was 50.9%
- Strengthened balance sheet with an increase of 19.5% in net cash to £7.3m (2023: £6.1m).
- Cash from operations of £6.3m (2023: £6.3m).
- Total dividend per share increased 10.8% to 9.0p (2023: 8.125p).

Operational Highlights

- Total number of franchise stores across the UK to 225 (2023: 205).
- 20 new franchise stores added (2023: 20), entering new locations such as Liverpool, Cambridge and Didsbury.
- 16.1% growth in online sales to £16.1m (2023: £13.8m).
- Strategic investment for growth helped to drive up sales, including a brand refresh, a new website and customer relationship management ("CRM") system, and a co-funded annual marketing fund with our franchisees.
- Launched a number of new products, including the popular Premium Mango and Speculoos caramelised

biscuit ranges.

Franchisee Highlights

- Franchisee total turnover increased 9.1% to £78.8m (2023: £72.1m).
- Like-for-like[1] sales growth of 4.4% in franchise stores (2023: 1.0%).
- Number of multi-site franchisees increased to 47.

Current trading and outlook

- Sales performance continues to be robust, with trading so far in FY25 in line with management expectations.
- Whilst the trading environment for 2025 is expected to be challenging with the continuing uncertain macro-economic conditions, the opening of new stores, investment in marketing, alongside a brand refresh roll out and new website, will help drive demand.

[1] Like-for-like: Stores trading for at least one full financial year prior to 31 March 2024.

Sukh Chamdal, Chief Executive Officer, said: *"It has been a successful year for Cake Box delivering robust growth across all areas of our business. Our strategic initiatives, including new store openings, enhanced marketing campaigns, and innovative product launches, have driven a 9% increase in revenues. We are pleased to have delivered full year EBITDA ahead of market expectations and to have also further strengthened our balance sheet.*

"The launch of our new CRM system, e-commerce website, and brand refresh, along with the success of our increased investment in marketing, has enhanced our brand awareness and customer experience, improving our presence and helping to drive up demand.

"Our success is a testament to the dedication of our team, the franchisees, and the loyalty of our customers. We look forward to building on this momentum, continuing to expand our store estate, and further solidifying Cake Box as the go-to destination for fresh cream celebration cakes."

For further information, please contact:

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Chair Statement

I am delighted to present my inaugural Chair's Statement for Cake Box since being appointed to the role in October 2023. It is an honour to have taken up the role of Chair and to contribute to the continued success of Cake Box, one of the UK's retail success stories.

Since joining as a Non-Executive Director upon our listing on the AIM market of the London Stock Exchange in 2018, I have been consistently impressed by the entrepreneurial ethos, commitment to values, quality of products and ambition to drive growth.

It is pleasing to report a year of growth for Cake Box, cementing the Company's position as the UK's largest retailer of fresh cream celebration cakes. Despite navigating uncertain economic conditions, Cake Box has demonstrated resilience and strength, continuing to deliver growth across the business.

Strategic Growth Initiatives

At the start of the year, the Board and management team outlined five key strategic pillars to strengthen the Company's operations and build a platform for long term sustainable growth. These pillars focused on enhancing our presence across multiple sales channels, expanding our store estate, adopting a data-driven approach, optimising operational efficiencies, and strengthening our governance and commitment to Environmental, Social, and Governance ("ESG") initiatives.

Throughout the year, our management team diligently executed these strategic initiatives, resulting in a strengthened foundation on which the Company may continue to thrive and pursue its growth. Our multifaceted approach, blending our high street presence with digital marketing strategies and an enhanced online sales platform, not only boosted customer demand and improved customer retention, but also amplified engagement levels significantly.

Entrepreneurial Excellence

Our franchisees and their success are the backbone of the business, embodying the entrepreneurial spirit that defines Cake Box. Our franchise stores continued to perform well with like-for-like sales increasing year on year and we successfully opened 20 new high street stores, a testament to the resilience and effectiveness of our franchise model. We also benefited from the continued stabilisation in the cost of raw materials during the year and gained further efficiency benefits from investment in the business.

New look for next phase of growth

The Company is now seeing the benefit of investment in key areas to position it for long term sustainable growth. Significantly, our focus on targeted marketing initiatives, coupled with the launch of an upgraded website featuring our convenient 'Click and Collect' service, underscores our commitment to enhancing customer experience and driving operational efficiency. Adopting a data-driven approach has further empowered us to discern market trends, attract fresh consumers, and nurture lasting loyalty among our customer base.

By expanding our reach into new areas and demographics, our multi-channel strategy has yielded tangible results, enabling us to connect with additional customers through various touchpoints. Additionally, the successful launch of a brand refresh in the second half of the year has been well-received and is already contributing to increased awareness of Cake Box and demand for our products.

Community Commitment

We believe our stores can serve as catalysts for boosting foot traffic on the high street and play their part in fostering a sense of community within local areas. Cake Box has been built on solid values and our strong relationships with our franchisees and customers underpin a commitment to making a positive difference in the communities we operate in.

We continue to initiate and support local initiatives to give back to the communities that support us and are committed to ensuring our operations align with our ESG principles.

Board changes

We continue to strengthen our Board and management team. Following my appointment as Chair, I am excited to continue helping Cake Box in the next phase of its development. Having been on the Board as an Independent Non-Executive Director since the Company listed on AIM in June 2018, I have a deep understanding of the business and appreciation of what is required to continue our growth.

I replaced Nilesh ("Neil") Sachdev who, after more than five years in the role, stepped down from the Board. I would like to take this opportunity to thank him for his significant contribution to the business.

In February 2024, we welcomed Shaun Smith - who has extensive leadership and board experience - as an Independent Non-Executive Director. Shaun sits on the Remuneration, Nomination and ESG Committees and will become Chair of the Audit Committee following the Annual General Meeting ('AGM') on 30 July 2024.

Looking ahead

Cake Box is well-positioned to capitalise on anticipated market trends in the celebration cakes and sweet baked goods segments. There are many exciting opportunities for growth ahead for the business and we are committed to continue to produce high quality products that resonate with our customers.

As evidenced by the continued expansion of our store estate, with 225 Cake Box shops trading as at 31 March 2024, we remain steadfast in our commitment to growth. Our ambitious target of reaching 400 stores in the medium term underscores our confidence in the scalability and resilience of our business model. Additionally, our investment in marketing and e-commerce capabilities will help to broaden our reach and increase demand.

With a strengthened, experienced leadership team and ambitious strategy, I am confident that the Group will continue to deliver growth for all stakeholders.

Finally, I would like to thank the Board and the entire Cake Box team for their dedication and tireless efforts and extend my gratitude to our shareholders for their continued support.

Martin Blair

Chair

Chief Executive's review

I am proud to report a year of excellent progress at Cake Box with strong growth across the business. Throughout the year, the strategic initiatives we implemented yielded excellent results, with increases in sales, profits, cash reserves, and dividends. This success is a testament to our commitment to cost discipline and our ability to maintain robust trading momentum despite challenging macroeconomic conditions.

The Company invested in a comprehensive brand refresh, revamped its e-commerce platform with a new website, and launched a new CRM system. Our expansion efforts, both in physical stores and online, have seamlessly integrated the traditional charm of brick-and-mortar establishments with the latest technology, optimising our reach, enhancing customer engagement, and increasing online sales.

Strategic initiatives delivering growth

In early 2023, we identified key strategic initiatives to invest in the business and drive growth for 2024 and beyond. It is pleasing to report that these initiatives were successfully implemented, bringing tangible results for Cake Box.

Franchise Expansion

Our franchise partners continue to play a vital role in our growth story. During the period, we opened 20 new stores, bringing our total store count to 225 as of 31 March 2024 (FY23: 205). This included expansion into new locations such as Cambridge, Didsbury, and Liverpool, which has allowed us to connect with new customers and increase brand awareness.

Trading momentum was strong during the year with an increase in total franchise store sales of 9.1% and like-for-like sales increase of 4.4%, reflecting new store openings and strong customer demand.

We remain committed to further expanding our footprint, with a target of reaching 400 stores. Progress with external property consultants, appointed to develop a strategy to reach this goal, has been encouraging and we have already identified a number of areas with potential either for a first Cake Box store or additional stores to complement our existing presence.

The demand for new stores has remained strong among our existing franchisee network, as well as in the form of inquiries from prospective franchisees. We now have 95 franchisees with 47 of them operating more than one Cake Box store as of 31 March 2024.

In addition to our focus on new stores, we concentrated on supporting our franchisees to help deliver operational efficiencies. This, coupled with stabilised food costs, resulted in an increase in Group margins to 52.7% and 15.1% increase in profit before tax. The positive downward trends for utility costs combined with the stabilisation of food costs, has had a positive impact of franchisee margins and profitability.

Marketing and multi-channel approach

Our brand awareness, customer experience and loyalty, has been further enhanced by the success of our refined marketing strategy and capabilities. Investment in marketing, particularly in digital and e-commerce capabilities, has been a focal point of our growth strategy, and helped online sales increase by 16.1% for FY24.

Our online 'click-and-collect' feature, whereby customers can order a personalised, fresh cream celebration cake online and collect it within the hour, sets us apart from the competition and is constantly growing in popularity with our customer base.

The launch of our new website in June 2023 has seen excellent performance, with website visits up 40.5% since launch, a 13.3% increase in the volume of orders, and improved conversion rates translating into higher sales from both new and returning customers.

In addition, we created an annual central marketing fund with our franchisees, aimed at enhancing digital marketing initiatives to raise brand awareness and expand our customer base. National radio and outdoor advertising campaigns, launched in September 2023, have further bolstered brand awareness and helped attract new customers to Cake Box.

Harnessing data for growth

Central to our marketing strategy is the utilisation of customer data to drive long-term sales and support our multi-channel approach.

Since launching a new CRM system in May 2023, we have seen strong growth in customer subscriptions and engagement. Marketing subscriptions increased by 68.0% and we grew our SMS sign ups from a zero base to 182,000 as at 31 March 2024, underscoring the benefits of our data-driven approach.

As part of this strategy, we continue to invest in our technology systems to build a complete end-to-end 'make to sell' process - the 'Cake Box Hub'. It is a centralised system to connect all our customer touchpoints and will further enhance our ability to leverage data insights driving commercial efficiencies and sales in the future.

Through understanding consumer preferences and behaviour patterns, going forward, we will be able to tailor our products, promotions and customer experience to better resonate with our target audience, ultimately increasing customer loyalty.

Brand refresh

In the second half of the year, we unveiled our new brand identity to broaden our appeal to new customers and demographics and amplify opportunities for new store openings. Nine of the new stores opened during the financial year, now carry the new branding, which will be rolled out across the business.

The positive reception of our new brand identity from customers, franchisees and partners, reaffirms Cake Box's position as a market leader and provides an excellent foundation for increased brand recognition and heightened demand.

In addition, leveraging our existing distribution channels and growing brand awareness, Cake Box can effectively penetrate new regions in the UK and reach untapped customers, further driving sales and market share expansion.

The market opportunity

The market opportunity for our company within the Celebration Cakes and Sweet Baked Goods segments is significant and poised for growth. In 2022, these two main target markets had a combined market value of £2.85 billion and were forecast to grow to £3.2 billion by 2027.

This presents a great opportunity for Cake Box to cater to the growing demand for high-quality celebration cakes and sweet baked goods and we are well-positioned to capture market share and expand on our position in this space.

Outlook and current trading

Trading so far in FY25 has been in line with management expectations. Whilst the outlook for the retail sector remains challenging, we are well positioned for the year ahead.

The increased investment in our marketing campaigns, alongside the refresh of our brand and website, will further strengthen Cake Box's presence and will help drive demand.

We will continue to introduce new product lines, designs and customisation options to enhance our celebration cakes. Through our revamped e-commerce platform and click and collect online feature, we are reaching more people, whilst making it easier for our customers to get the cakes they want.

By staying alert and responsive to market trends, we will continue to position ourselves as a leader in the celebration cakes and sweet baked goods industry, able to capture a larger share of the growing market and driving sustainable long-term growth for our company.

Cake Box remains an asset-light, and cash-generative business with a robust balance sheet. Our plans are in place to drive customer demand with our new marketing initiatives, and to continue our store expansion programme with a healthy pipeline of new store openings.

Sukh Chamdal

Chief Executive Officer

Financial review

	FY 24	As restated FY 23	Change***
	£m	£m	
Group Revenue	**37.84**	**34.80**	8.7%
Gross Profit	**19.94**	**17.17**	16.1%
Operating expenses before exceptional items	(13.76)	(11.60)	(18.7%)
Exceptional items	0.24	-	
Operating profit	**6.42**	**5.57**	15.1%
Net finance cost	(0.16)	(0.14)	(16.4%)
Profit before tax	**6.26**	**5.43**	15.1%
Adjusted profit before tax**	**6.02**	**5.43**	10.6%
Taxation	(1.61)	(1.20)	(33.1%)
Profit for the period	**4.65**	**4.23**	10.0%
Adjusted profit for the period**	**4.41**	**4.23**	4.2%
Revaluation of freehold property	0.22	0.19	
Deferred taxation on revaluation	(0.06)	(0.04)	
Tax rate changes on revaluation reserve for freehold property	-	(0.34)	
Total comprehensive income for the year	**4.81**	**4.04**	19.1%
EBITDA	**7.70**	**6.66**	15.6%
Adjusted EBITDA**	**7.46**	**6.66**	12.0%

* EBITDA is calculated as operating profit before depreciation and amortisation
** Adjusted profit before- and after tax and adjusted EBITDA are after adjusting for exceptional items
*** % change is based on amounts in the Consolidated Statement of Comprehensive Income

Group revenue

Reported Group revenue for the year increased by 8.7% to £37.8m (FY23: £34.8m). This was achieved through an increase in franchise store like-for-like sales of 4.4% as well as the addition of 20 new franchise stores opening in the year. This was a very positive outcome, considering the continued challenging economic and tough consumer environment, with high inflation and interest rates impacting on consumer's disposable income.

Gross profit

Gross profit as a percentage of Group revenue increase from 49.4% to 52.7% for the full year. This increase was as a result of the efficiencies gained from investments in the production facilities in prior years and the stabilisation of raw material and freight costs during the year. The stabilisation of costs enabled the Group to minimise any increase in pricing to its franchisee partners, which in turn benefited the margins of the franchisees. Pricing to our customers was reviewed on a regular basis to ensure we remained competitive in a continued tough economic climate throughout the year. We were able to keep retail sales price increases to a lower rate than the food retail sector, as in the prior year, while not impacting on volumes.

EBITDA

Reported EBITDA increased 15.6% to £7.7m as a result of the increased Group revenues, with progression in gross margins offset by the planned increase in overheads. Adjusted EBITDA increased by 12.0% to £7.5m for the year. The difference between Reported and Adjusted EBITDA related to the reversal of a £0.2m provision created in prior years for a website data breach, which has been classified as an exceptional item now that the matter has been closed.

Exceptional items

The exceptional income items comprise solely of a £0.2m provision made in FY21 following a website data breach.

Following information provided to the Information Commissioner's Office ("ICO") regarding the enhancement of the Group's security measures, the ICO informed the Group that it would not be pursuing any enforcement action relating to the case and considered the case closed.

As a result, the Group has released this provision in the 2024 financial results and classified the release as an exceptional item, in line with the treatment of the original provision.

Balance sheet

The Group's balance sheet has strengthened further, with cash balances of £8.5m (FY23: £7.4m). The Group's only debt remains its mortgages of £1.1m (FY23: £1.2m), secured by its freehold properties in Enfield, Bradford and Coventry.

As the Group operates a franchise model, it has relatively low capital expenditure requirements and flexible cost base.

The Board is confident that the Group's cash levels and liquidity are sufficient for the operational requirements of the Group, despite the continued tough macro-economic climate.

Property

At each year end, surveyors are instructed to value the Company's three freehold depots, Enfield, Bradford and Coventry, to ensure a consistent value base. The new valuation has resulted in a further uplift of £0.2m in the reported values of the three sites for the consolidated report and accounts.

In the 2022 financial year, the Group entered into a lease for a warehouse in Enfield, which supports the growth in all three of the Company's production sites. This site is classified as a right-to-use asset in the report and accounts. All bulk and raw material stock, utilised in the production of sponge, is stored in this warehouse and distributed to the three sites when required. The centralisation of stock has increased control and minimised stock losses.

Taxation

The effective rate of taxation was 25.6% (FY23: 22.2%). As part of the Budget 2021 announcement by the Government on 3 March 2021, the corporation tax rate has increased for all companies with profits above £250,000 to 25% from 19%. This was effective from 1 April 2023 and therefore applied for the full financial year under review.

The effective tax rate was higher than the statutory rate due to expenses not allowable for tax purposes and adjustments relating to prior periods.

Earnings per share ("EPS")

Reported earnings per share was 10.0% above the prior year, at 11.65p (FY23: 10.59p). Profit before tax ("PBT") is 15.1% ahead of the prior year. The difference in the growth year on year between PBT and EPS is due to the increase in the corporation tax rate from 1 April 2023 to 25% (FY23: 19%).

Adjusted earnings per share was 11.04p (FY23: 10.59p), 4.2% ahead of the prior year. This is after the adjustment for the exceptional item previously mentioned (note 10).

The number of shares in issue was 40,000,000 and is unchanged since the Company's IPO in June 2018.

Diluted earnings per share was 8.0% above the prior year, at 11.44p (FY23: 10.59p). The difference in the basic and diluted earnings per share is due to the dilutive effect of the share options granted during the year.

Dividend

Following the positive results and cash generation reported for the 2024 financial year, the Board is pleased to recommend a final dividend of 6.1p per share (FY23: 5.5p). The total dividend for the year will total 9.0p (FY23: 8.125p), a 10.8% increase year on year, continuing the progressive dividend policy employed by the Board. The dividend cover is 1.23x (FY23: 1.3x).

If approved by the shareholders at the Company's AGM on 30 July 2024, the final dividend of 6.1p will be paid on 6 August 2024. The record date for shareholders on the register will be 12 July 2024, with an ex-dividend date of 11 July 2024.

Cash position

	FY 24	**As restated FY 23**
	£m	**£m**
EBITDA	7.70	6.66
Exceptional items (see note 10)	(0.24)	-
Adjusted EBITDA	**7.46**	**6.66**
Add back:		
Working capital	(0.44)	0.97
Share-based charge	0.09	-
Net finance cost	(0.16)	(0.14)
Corporation tax	(0.83)	(1.34)
Free cash flow	**6.12**	**6.15**
Capex	(1.35)	(1.96)
Proceeds on sale of assets	0.05	0.06
Dividends	(3.36)	(3.09)
Repayment of finance leases	(0.27)	(0.26)
Movement in net cash	**1.19**	**0.90**
Opening net cash	**6.12**	**5.22**
Closing net cash	**7.31**	**6.12**

Adjusted EBITDA of £7.5m was £0.8m above the prior year (FY23: £6.7m). This increase was offset by an increase of £0.4m in working capital (FY23: decrease of £1.0m), predominantly due to the receivables for new store openings in the final quarter of the year.

Free cash flow generated was £6.1m (FY23: £6.1m), this was offset by £1.3m of capital expenditure (FY23: £2.0m) and returns to shareholders through dividends of £3.4m (FY23: £3.1m).

The Group had £8.5m of cash and cash equivalents at year end, a £1.1m increase year on year (FY23: £7.4m). The Group's net cash position was £7.3m (FY23: £6.1m), a £1.2m increase on the prior year. Net cash position is calculated by taking the cash and cash equivalents less the outstanding mortgage debt relating to the Group's freehold properties.

Capital employed and balance sheet

	FY 24	As restated FY 23
	£m	£m
Intangible assets	0.73	0.40
Property, plant and equipment	11.48	11.27
Right-of-use-assets	2.27	2.57
Other financial assets	1.05	0.75
Lease liabilities	(2.43)	(2.70)
Provisions	-	(0.24)
Working capital	1.85	1.71
Net cash	7.31	6.12
Tax	(2.96)	(2.14)
Net assets	**19.30**	**17.74**

Intangible assets have increased by £0.3m year on year, due to the capitalisation of costs relating to the new ERP system and website development. Property, plant and equipment has increased by £0.2m, due to additions of £0.9m and a further £0.2m increase in the valuations of the Group's three freehold properties, offset by £0.9m of depreciation charged for the year. Right-of-use assets has decreased by £0.3m, the amortisation charge for the year.

Loans to franchisees increased by £0.3m during the year, predominantly due to short term bridging loans to franchisees for new store openings pending their bank finance is being approved and funds released by their banks.

Provisions related to the website data breach in FY21, with the amount outstanding at the end of the 2023 financial year provided for potential fines to be imposed by the Information Commissioner's Office ("ICO"). During the 2024 financial year, based on the information submitted to the ICO regarding the enhancements made to the Group's security measures to prevent similar breaches, the ICO informed the Group that it would not be pursuing enforcement action and considered the case closed. This provision has therefore been released in the 2024 financial year.

Working capital increased by £0.1m, due to an increase of £1.5m in accounts receivable as a result of new store openings in the fourth quarter of the year, offset by an increase of £1.1m in accounts payable and a £0.2m decrease in inventories.

Events after the year end

Post year end the opportunity arose to purchase the land and buildings neighbouring the Company's current depot in Bradford. As these opportunities are rare to acquire the land adjacent to the Company's current facilities, the Board took the decision to move ahead and purchase the land and buildings. This will enable the Group to service its further expansion in the north of England and Scotland. The purchase price of the land and buildings was £0.7m. The purchase of the land was concluded during May 2024, out of current cash reserves.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2024

Company Registration No. 08777765

	Note	2024	As restated 2023
		£	£
Revenue	3	37,844,963	34,800,941
Cost of sales		(17,905,058)	(17,626,671)
Gross profit		**19,939,905**	**17,174,270**
Administrative expenses before exceptional items	4	(13,947,694)	(11,314,803)

Impairment of receivables - writeback/(charge)	4	187,856	(280,425)
Exceptional items	10	243,100	-
Administrative expenses	4	(13,516,738)	(11,595,228)
Operating profit		**6,423,167**	**5,579,042**
Finance income	6	153,145	25,019
Finance expense	6	(310,885)	(160,494)
Profit before income tax		**6,265,427**	**5,443,567**
Income tax expense	11	(1,606,742)	(1,206,896)
Profit after income tax		**4,658,685**	**4,236,671**
Other comprehensive income for the year			
Items that will not be subsequently reclassified to profit or loss:			
Revaluation of freehold property	13	223,178	187,665
Deferred tax on revaluation of freehold property	12	(55,795)	(35,656)
Tax rate changes on revaluation reserve for freehold property	12	-	(337,088)
Total other comprehensive income for the year		**167,383**	**(185,079)**
Total comprehensive income for the year		**4,826,068**	**4,051,592**
Attributable to:			
Equity holders of the parent		**4,826,068**	**4,051,592**
Earnings per share			
Basic (pence)	33	**11.65**	**10.59**
Diluted (pence)	33	**11.44**	**10.59**

The notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	2024	As restated 2023
		£	£
Assets			
Non-current assets			
Intangible assets	14	727,783	399,186
Property, plant and equipment	13	11,480,193	11,267,783
Right-of-use assets	15	2,274,550	2,574,490
Other financial assets	18	564,535	508,532
		15,047,061	**14,749,991**
Current assets			
Inventories	16	2,592,838	2,790,724
Trade and other receivables	17	4,154,184	2,683,621
Other financial assets	18	487,652	245,880
Cash and cash equivalents	31	8,454,265	7,353,583
		15,688,939	**13,073,808**
Total Assets		**30,736,000**	**27,823,799**
Equity and liabilities			
Equity			
Issued share capital	19	400,000	400,000

Capital redemption reserve	20	40	40
Share option reserve	20	95,266	-
Revaluation reserve	20	3,617,038	3,449,655
Retained earnings	20	15,188,345	13,889,660
Equity attributable to the owners of the parent company		**19,300,689**	**17,739,355**
Current liabilities			
Trade and other payables	23	4,892,228	3,766,413
Lease liabilities	15	280,425	270,117
Short-term borrowings	22	146,544	104,498
Current tax payable		948,523	294,262
Provisions	24	-	243,100
		6,267,720	**4,678,390**
Non-current liabilities			
Lease liabilities	15	2,149,413	2,429,838
Borrowings	22	997,050	1,132,292
Deferred tax liabilities	12	2,021,128	1,843,924
		5,167,591	**5,406,054**
Total Equity and liabilities		**30,736,000**	**27,823,799**

The notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		£	£
Cash flows from operating activities			
Profit before income tax		6,265,427	5,443,567
Adjusted for:			
Depreciation of property, plant, and equipment	4 & 13	856,282	777,571
Amortisation of intangible assets	4 & 14	106,810	54,110
Depreciation of right-of-use assets	4 & 15	299,940	299,940
Loss/(profit) on disposal of property, plant, and equipment		13,606	(50,733)
Share-based payment expense	7	93,445	-
Finance income	6	(153,145)	(25,019)
Finance cost	6	310,885	160,494
Decrease/(increase) in inventories		197,886	(321,803)
(Increase) in trade and other receivables		(1,470,563)	(360,950)
(Increase)/decrease in other financial assets		(297,775)	263,307
Increase/(decrease) in trade and other payables		1,125,815	1,105,042
(Decrease)/increase in provisions		(243,100)	280,425
Cash generated from operations		**7,105,513**	**7,625,951**
Taxation paid		(829,251)	(1,341,087)
Net cash inflow from operating activities		**6,276,262**	**6,284,864**
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(892,226)	(1,615,209)
Additions in intangible assets	14	(453,920)	(346,023)
Proceeds from sale of property, plant and equipment		51,620	61,002
Finance income	6	153,145	25,019
Net cash outflow from investing activities		**(1,141,381)**	**(1,875,211)**
Cash flows from financing activities			

Cash flows from financing activities			
Repayment of finance leases		(270,118)	(260,192)
Repayment of borrowings		(93,196)	(116,942)
Dividends paid	8	(3,360,000)	(3,090,000)
Finance cost	6	(310,885)	(160,494)
Net cash outflow from financing activities		**(4,034,199)**	**(3,627,628)**
Net increase in cash and cash equivalents		**1,100,682**	**782,025**
Cash and cash equivalents at 1 April 2023		**7,353,583**	**6,571,558**
Cash and cash equivalents at 31 March 2024	31	**8,454,265**	**7,353,583**

The notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

THE YEAR ENDED 31 MARCH 2024

	Attributable to the owners of the Parent Company					
	Share capital	**Capital redemption reserve**	**Share option reserve**	**As restated revaluation reserve**	**As restated retained earnings**	**As restated total**
	£	**£**	**£**	**£**	**£**	**£**
At 31 March 2022	400,000	40	-	3,634,734	12,742,989	16,777,763
Profit for the year	-	-	-	-	4,236,671	4,236,671
Revaluation of freehold property	-	-	-	187,665	-	187,665
Deferred tax on revaluation of freehold property	-	-	-	(35,656)	-	(35,656)
Tax rate changes on revaluation reserve for freehold property	-	-	-	(337,088)	-	(337,088)
Total comprehensive income for the year	**-**	**-**	**-**	**(185,079)**	**4,236,671**	**4,051,592**
Transactions with the owners in their capacity as owners						
Dividends paid	-	-	-	-	(3,090,000)	(3,090,000)
At 31 March 2023	**400,000**	**40**	**-**	**3,449,655**	**13,889,660**	**17,739,355**
Profit for the year	-	-	-	-	4,658,685	4,658,685
Revaluation of freehold property	-	-	-	223,178	-	223,178
Deferred tax on revaluation of freehold property	-	-	-	(55,795)	-	(55,795)
Total comprehensive income for the year	**-**	**-**	**-**	**167,383**	**4,658,685**	**4,826,068**
Transactions with the owners in their capacity as owners						
Share-based payments	-	-	93,445	-	-	93,445
Deferred tax on share-based payments	-	-	1,821	-	-	1,821
Dividends paid	-	-	-	-	(3,360,000)	(3,360,000)
At 31 March 2024	**400,000**	**40**	**95,266**	**3,617,038**	**15,188,345**	**19,300,689**

The notes form an integral part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1. General information

Cake Box Holdings plc is a listed company limited by shares, incorporated in England and Wales, with company number

08777765 and domiciled in the United Kingdom. Its registered office is 20 - 22 Jute Lane, Enfield, Middlesex, EN3 7PJ.

The financial statements cover Cake Box Holdings plc ('Company') and the entities it controlled at the end of, or during, the financial year (referred to as the 'Group').

The principal activity of the Group continues to be the specialist retailer of fresh cream cakes and franchise operator.

2. Material accounting policy information

2.1 Basis of preparation of financial statements

The financial information set out in this statement does not constitute statutory accounts as defined in section 435 of the Companies Act 2006. This set of financial results was approved by the Board on 10 June 2024. The financial information for the years ended 31 March 2024 and 31 March 2023 have been extracted from the statutory accounts for each year. The auditors' report on the 2024 statutory accounts was (i) unqualified, (ii) did not include references to any matters to which the auditor drew attention by way emphasis without qualifying its reports and (iii) did not contain statements under section S498(2) or S498(3) of the Companies Act 2006.

While the financial information included in this preliminary announcement has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards, this announcement does not itself contain sufficient information to comply with those standards. The Company expects to publish full financial statements that comply with International Financial Reporting Standards in August 2023.

The consolidated financial statements for the year ended 31 March 2024 have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK Adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS.

The consolidated financial statements have been prepared under the historical cost convention, other than certain classes of property, plant and equipment.

The numbers presented in the financial statements have been rounded to the nearest pound (£) unless otherwise stated.

Changes to comparative period financial information

The following changes have been made to the comparative period presented within these financial statements:

- Impairment of receivables, of £280,425, have been disclosed separately from administrative expenses on the Consolidated Statement of Comprehensive Income. There is no impact on net cash flows or basic and diluted earnings per share for the period.
- Tax rate changes on revaluation of property, plant and equipment have been recognised separately under 'Other comprehensive income for the year', as required by IAS 12 'Income Taxes'. This has resulted in a restatement of the Consolidated Statement of Comprehensive Income. The Consolidated Statement of Changes in Equity was also restated to reclassify £337,088 from retained earnings to the revaluation reserve. There is no impact on net cash flows or basic and diluted earnings per share for the period.

The above changes were prompted by an inquiry from the Corporate Reporting Review Team of the FRC as part of its regular review and assessment of the quality of corporate reporting in the UK. They requested further information in relation to the Company's 2023 Annual Report and Accounts. The Company agreed to make the above changes within its 2024 financial statements.

The FRC's review is limited to the published 2023 Annual Report and Accounts; it does not benefit from a detailed understanding of underlying transactions and provides no assurance that the Annual Report and Accounts are correct in all material respects.

	As restated 2023	Adjustment	Reported 2023
1)Impairment of receivables disclosed in the Consolidated Statement of Comprehensive Income			
Consolidated Statement of Comprehensive Income			
Administrative expenses before exceptional items	(11,314,803)	280,425	(11,595,228)
2) Tax rate changes on revaluation reserve for freehold property - recognised separately under 'Other comprehensive income for the year'			
Consolidated Statement of Comprehensive Income			
Other comprehensive income for the year			
Items that will not be subsequently reclassified to profit or loss:			
Revaluation of freehold property	187,665	-	187,665
Deferred tax on revaluation of freehold property	(35,656)	-	(35,656)
Tax rate changes on revaluation reserve for freehold property	(337,088)	(337,088)	-
Total other comprehensive income for the year	**(185,079)**	**(337,088)**	**152,009**
Consolidated Statement of Financial Position			
Revaluation reserve			
As reported in 2023	3,634,734	-	3,634,734
Revaluation of freehold property	187,665	-	187,665
Deferred tax on revaluation of freehold property	(35,656)	-	(35,656)
Reclassification of tax rate changes on revaluation reserve for freehold property	(337,088)	(337,088)	-
	3,449,655	**(337,088)**	**3,786,743**

Judgements

The preparation of financial statements under IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Estimates and assumptions are reviewed on an ongoing basis and any revision to estimates or assumptions are recognised in the period in which they are revised and in future periods affected.

Expected Credit Loss Allowance
The Group exercises judgement in relation to the calculation of expected credit losses on trade receivables and franchisee loans. This includes ascertaining what constitutes a significant increase in credit risk, what is defined as loan default and how forward-looking information has been incorporated into the simplified approach for trade receivables. Please see note 28 for further details.

Accounting policies (continued)

Areas of significant estimation uncertainty

The following areas of estimation uncertainty which have had the most significant effect on amounts recognised in the financial statements:

Provisions

Provisions

The Group had previously recognised provisions following a data breach which impacted the Group's website payment system. The provision related to the fine received by the merchant service provider, and estimated costs associated including potential fines from the ICO in respect of GDPR breaches and associated legal and professional fees. Management used judgement in respect of potential fees and fines and estimates to calculate the quantum of costs.

Freehold property

Freehold properties are held at valuation. When measuring the fair value of an asset or liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e.as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio every 12 months.

2.2 Functional and presentation currency

The currency of the primary economic environment in which the Parent and its subsidiaries operate (the functional currency) is Pound Sterling ("GBP or £") which is also the presentation currency.

2.3 Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated.

A list of the significant investments in subsidiaries, including the name, country of incorporation and proportion of ownership interest is given in note 30 to the Company's separate financial statements.

2. Accounting policies (continued)

2.4 Application of New and Revised IFRS's

At the date of authorisation of these financial statements the following Standards and Interpretations were in issue and have been applied in these financial statements. There has not been a material impact on the Group following their application:

		Effective Date
IAS 1	The amendments aim to improve accounting policy disclosures and to help users of the financial statements to distinguish between changes in accounting estimates and changes in accounting policies.	1 January 2023
IAS 12	Amendments requiring a company to recognise deferred tax on transactions that, on initial recognition give rise to equal amounts of taxable and deductible temporary differences.	1 January 2023
IAS 1 &	Amendments regarding the disclosure of accounting policies and amendments regarding	1 January

IAS 1 & IAS 8	Amendments regarding the disclosure of accounting policies and amendments regarding the definition of accounting estimates.	1 January 2023
IAS 12	Amendments to Deferred Tax Related to Assets and Liabilities arising from a Single Transaction.	1 January 2023

At the date of authorisation of these financial statements the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective and are not expected to have a material impact on the Group:

		Effective Date
IAS 1	Amendments clarify how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability.	1 January 2024
IFRS 16	Amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction.	1 January 2024
IFRS 18	IFRS 18 is the future standard that replaces IAS 1 in its entirety and will thus deal with presentation of primary statements and notes. Some key impacts are as follows: • Improving structure of the statement of profit or loss by requiring information to be classified in either operating, investing, financing, taxation, or discontinued categories. • Improving the requirements over the level of aggregation and disaggregation of line items and the information in notes in order to provide more useful information. • Providing specific requirements over the reporting of additional sub-totals, line items, and other aspects of presentation that relate to alternative performance measures (for example non-IFRS measures).	Applicable for financial years beginning on or after 1 January 2027 and is not yet endorsed for use in the United Kingdom. The Company is considering the impact of IFRS 18 on its future reporting.
IFRS 19	IFRS 19 is a new standard that enables reduced disclosures in the IFRS accounts of subsidiaries that do not have public accountability. IFRS 19 is not relevant at this level of the Group as the Company is a parent and not a subsidiary.	IFRS 19 is applicable for financial years beginning on or after 1 January 2027 and is not yet endorsed for use in the United Kingdom.

2. Accounting policies (continued)

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker ('CODM'). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors that make strategic decisions. Whilst the Group's trading has numerous components, the CODM is of the opinion that there is only one operating segment. This is in line with internal reporting provided to the executive directors.

2.6 Going concern

The directors pay careful attention to the cost base of the Group ensuring not only that it is kept at a level to satisfy the commercial requirements but also that it remains appropriate to the level of activity of the Group and the financial resources available to it.

The current cash balance has increased by £1.0m to £8.5m, and the Group continues to be cash generative.

Based on the current working capital forecast, there is no need to raise additional funds as the Group considers that it is in a position where the scenario of not meeting liabilities is remote. After making enquiries and considering the assumptions upon which the forecasts have been based, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the period of at least twelve months from the date of approval of these financial statements. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.7 Revenue recognition

2.7 Revenue recognition

The Group recognises revenue from the following major sources:

- Sale of sponges, fresh cream and other foods and goods to franchisees
- Online commission on the sales of cakes and related products to customers
- Franchise packages
- National marketing levy

Sale of sponges and related ingredients to franchisees

For sales of goods to franchisees, revenue is recognised when control of the goods has transferred, being at the point at which the goods are dispatched and delivered, which occurs on the same day. Payment of the transaction price is due within 7 days after statements are forwarded to franchisees. The Group actively works with its franchisees to ensure credit terms are met and if terms are required to be extended a suitable debt recovery plan is agreed.

Online commission on the sales of cakes and related products to customers

Online sales which include click and collect sales, where the franchisee has the primary responsibility for the fulfilment of the order and the Group is collecting the consideration paid by the customers on behalf of the franchisee as agent, are not recognised as revenue of the Group. Only the net commission amount is recognised. Revenue is recognised at the date of order and payment is taken at this point.

Franchise packages

The franchise packages consist of revenues which relate to pre- and post-opening costs mainly for store fit-out; and initial set up costs for pre-opening support, and franchisee and staff training.

2. Accounting policies (continued)

The pre- and post-opening costs are required to get the new franchisee trading and are therefore recognised at a point in time which is at the end of the month in which trading commences. Each package is tailored to a specific franchisee's needs and elements can be added or removed as appropriate which will affect the price. The performance obligation of the Group is met, when the store is handed over to the franchisee and he/she accepts it and commences trading. The franchisee is then obligated to settle the invoices raised by the Group for the costs incurred by the Group in getting the store in a position where it can start trading. Included in the franchise packages, is a franchise fee, the amount of which will depend on whether it is a new or existing franchisee opening the new store.

Holding deposits received from franchisees for new stores are not treated as revenue when received. The deposits are held under 'Other Payables' in the Group's financial statements. If the new store is completed and the franchisee accepts it and commences trading, the deposit is allocated against the costs associated with the new store and recognised as revenue at this point. If the new store does not proceed, the deposit is refunded to the franchisee.

National marketing Levy

Franchisees contribute a percentage of their franchise sales to the National Marketing Fund managed by the Group. The purpose of the fund is to build franchise sales through increased awareness of the Cake Box brand and the website. For the funds received, the Group provides national marketing initiatives and services. These performance obligations are considered to constitute a revenue stream, and the contributions received by the Group are therefore recognised as revenue. Revenue recognition is measured on an input basis as the costs of providing the services are incurred. The Group provides the services on a break-even basis, such that the fund does not retain a long-term surplus or deficit. As such, the level of revenue and costs recognised in respect of fulfilling the national marketing obligations are equal. Any timing difference between contributions received and costs incurred are held as a contract asset or liability on the Consolidated Statement of Financial Position.

2.8 Current and deferred taxation

Current tax liabilities

Current tax for the current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of the current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable.

No material uncertain tax positions exist as at 31 March 2024. This assessment relies on estimates and assumptions and may involve a series of complex judgements about future events. To the extent that the final tax outcome of these matters is different from the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

Current taxes are calculated using tax rates and laws that are enacted or substantively enacted at the reporting date.

2. Accounting policies (continued)

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which the Company expects the deferred tax asset to be realised or the deferred tax liability to be settled.

Deferred taxes are calculated using tax rates and laws that are enacted or substantively enacted at the reporting date that are expected to apply as or when the temporary differences reverses.

Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax movement for the current period. The tax currently payable is based on taxable profit for the year.

Income taxes are recognised in profit or loss unless they relate to items recognised in other comprehensive income or equity, in which case the income tax is recognised in other comprehensive income or equity respectively.

2.9 Property, Plant and Equipment - held at cost

Property, plant and equipment, other than investment and freehold properties, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Depreciation on other assets is charged to allocate the cost of assets less their residual value over their estimated useful lives, using the straight line method.

Depreciation is provided on the following annual basis:

Freehold buildings - Over 40 to 50 years

Freehold property improvements	-	Over 4 to 30 years
Plant & machinery	-	4 years
Motor vehicles	-	4 years
Fixtures & fittings	-	Over 4 to 12 years
Assets under construction	-	Not depreciated

Assets under the course of construction are carried at cost less any recognised impairment loss. Depreciation of these assets commences when the assets become available for use.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the profit or loss.

2. Accounting policies (continued)

2.10 Property, plant and equipment - held at valuation

Individual freehold properties are carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at each Consolidated Statement of Financial Position date.

Fair values are determined by an independent valuer and updated by the Directors from market-based evidence.

Revaluation gains are recognised in Other Comprehensive Income. Revaluation losses are recognised in the profit and loss, unless the losses relate to previously recognised gains, in which case it will be recognised in Other Comprehensive Income. Any excess losses are recognised in the profit or loss.

2.11 Inventories

Inventories are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

2.12 Financial instruments

Recognition of Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes party to the contractual provisions of the instrument.

Trade and other receivables

Trade and other receivables without a significant financing component are initially measured at transaction price which approximates fair value at the transaction date. All sales are made on the basis of normal credit terms, and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. All trade receivables are subsequently measured at amortised cost.
At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed. Impairment allowance for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such allowances are recorded in a separate allowance account with the loss being recognised in the statement of profit or loss. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

of the asset is written off against the associated provision.

Other financial assets

Included in other financial assets are loans to franchisees. These loans are interest free, however include an arrangement fee, at the discretion of the Group, which is spread over the term of the loan. These loans have been discounted to fair value using a market rate. The impact of this discounting has been recognised in finance costs. At the end of each reporting period, the carrying amounts of other financial assets are reviewed on an individual balance basis and appropriate impairments are made if losses are anticipated. If a previously impaired balance is subsequently received, the impairment is reversed through the profit and loss. See notes 27 and 28 for further details.

2. Accounting policies (continued)

Trade and other payables
Trade and other payables are initially measured at fair value and subsequently at amortised cost. Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade payables denominated in a foreign currency are translated into Sterling using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

2.13 Financial instruments

Bank loans and overdrafts
All borrowings are initially recorded at fair value, net of transaction costs. Borrowings are subsequently carried at amortised cost under the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.14 Finance costs and income

Finance costs are charged to the profit and loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Finance income is charged to the profit and loss on receipt or accrued if there is a signed agreement in place.

2.15 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and deposits with maturities of three months or less from inception, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

2.16 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an Annual General Meeting.

2.17 Leases

The Group assesses whether a contract is, or contains, a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the Group's incremental borrowing rate.

2. Accounting policies (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options if the lessee is reasonably certain to exercise the options;
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line in the Consolidated Statement of Financial Position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (at a constant rate) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using a revised discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used);
- A lease contract is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the right-of-use asset. Right-of-use assets currently in use are depreciated over 10 years, which is the term of the lease.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the consolidated statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the 'Property, Plant and Equipment' policy.

2. Accounting policies (continued)

2.18 Employee benefits

Short Term Employee Benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as leave pay and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

Defined contribution pension plan
The Group operates a defined contribution plan for its staff. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Consolidated Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

Termination benefits
The entity recognises the expense and corresponding liability for termination benefits when it is demonstrably committed to either of the following scenarios:
a. The termination of the employment of an employee or group of staff before the normal retirement age, or
b. The provision of termination benefits in relation to an offer made to encourage voluntary redundancy.

The value of such benefit is measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

2.19 Provisions and contingencies

Provisions are recognised when the Group has an obligation at the reporting date as a result of a past event; it is probable that the Group will be required to transfer economic benefits in settlement; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the amount expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks to a specific obligation. The increase in the provision due to the passage of time is recognised as interest expense.

Provisions are not recognised for future operating losses.

Contingent liabilities are not recognised in the consolidated financial statements. They are disclosed if the possibility of an outflow of resources embodying economic benefit is remote. A contingent asset is not recognised in the consolidated financial statements but disclosed when an inflow of economic benefit is probable.

2.20 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

2.21 Research and development

Research and development expenditure is charged to the Consolidated Statement of Comprehensive Income in the year in which it is incurred. The expenditure does not meet the definition of 'Development' under IAS 38.

2. Accounting policies (continued)

2.22 Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

2.23 Share-based payments

Where share options are awarded to staff, the fair value of the options (measured using the Black-Scholes model) at the date of grant is charged to the profit and loss over the vesting period. Non-market vesting conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also considers non-vesting conditions. These are either factors beyond the control of either party or factors which are within the control of one or another of the parties. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Lapsed share options are derecognised as soon as it is known that vesting conditions will not be met. Previous charges to the Statement of Comprehensive Income are credited back to this statement.

2.24 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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2. Accounting policies (continued)

2.25 Impairment of non-financial assets

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows or other assets of CGUs.
The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other asset in the CGU on a pro rate basis. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.26 Intangible assets

Intangible Assets Policy
The purpose of this policy is to outline the guidelines and procedures for managing and accounting for intangible assets, specifically focusing on Website costs, Software, and ERP Systems. These assets are valuable resources that contribute to the organisation's competitive advantage and need to be properly identified, evaluated, recorded, and monitored.

2.26.1. Recognition and Initial Measurement:

a. Website Costs:
Expenditures related to developing or acquiring a website should be capitalised when they meet the following criteria:
- It is probable that the future economic benefits associated with the website will flow to the organisation.
- The costs of the website can be reliably measured.
- Website costs should be amortised over their estimated useful life or expensed if they have a short useful life.

b. Software:
Software costs should be capitalised if they meet the following criteria:
- The software is intended for internal use.
- It is probable that the organisation will derive future economic benefits from the software.
- The costs of the software can be reliably measured.
- Capitalised software costs should be amortised over their estimated useful life or expensed if they have a short useful life.

c. ERP Systems:
The costs related to acquiring, implementing, and customising an Enterprise Resource Planning (ERP) system should be capitalised if they meet the following criteria:
- The ERP system is intended for internal use.
- It is probable that the organisation will derive future economic benefits from the ERP system.
- The costs of the ERP system can be reliably measured.

- Capitalised ERP system costs should be amortised over their estimated useful life or expensed if they have a short useful life.

2.26.2. Subsequent Expenditure:

Subsequent expenditures related to intangible assets, such as enhancements, upgrades, or additions, should be evaluated to determine if they meet the criteria for capitalisation.

If the subsequent expenditure enhances the future economic benefits or extends the useful life of the asset, it should be capitalised and added to the carrying amount of the asset.

Otherwise, the expenditure should be expensed as incurred.

2.26.3. Amortisation:

Intangible assets subject to amortisation should be amortised over their estimated useful lives.
The amortisation method should be applied consistently and reflect the pattern in which the asset's economic benefits are consumed or utilised.
The amortisation expense should be recorded in the organisation's financial statements.

The estimated useful lives for current and comparative periods are as follows:
Website - 4 years
Software - 4 years
ERP - 4 years

2.26.4. Monitoring and Impairment Testing:

a. Regular Reviews:
Periodic reviews should be conducted to assess the ongoing value and useful life of intangible assets.
Changes in market conditions, technology advancements, or other factors should be considered during these reviews.

b. Impairment Testing:
If indicators of impairment exist, such as a significant decline in the asset's market value or changes in the asset's usefulness, an impairment test should be performed.

If an impairment is identified, the asset's carrying amount should be reduced to its recoverable amount, and an impairment loss should be recognised in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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3. Segment reporting

Components reported to the CODM are not separately identifiable and as such consider there to be one reporting segment. The Group makes varied sales to its customers, but none are a separately identifiable component. The following information is disclosed:

	2024	**2023**
	£	**£**
Sales of sponge	14,983,166	13,631,930
Sales of other food	6,700,487	5,870,607
Sales of fresh cream	4,082,584	3,976,694
Sales of other goods	7,824,308	7,454,354
Online sales commission	1,100,711	1,001,192
Franchise packages	2,484,043	2,866,164
National Marketing levy	669,664	-
	37,844,963	**34,800,941**

	57,844,963	54,800,941

All revenue occurred in the United Kingdom for both financial years.

The operating segment information is the same information as provided throughout the consolidated financial statements and is therefore not duplicated.

The Group was not reliant upon any major customer during 2024 or 2023.

4. Expenses by nature

The Administrative expenses have been arrived at after charging/(crediting):

	2024	**Restated 2023**
	£	**£**
Staff costs	7,609,081	6,140,162
Travel and entertaining costs	613,284	599,151
Supplies costs	801,291	481,596
Professional costs	1,236,911	1,729,948
Depreciation of property, plant, and equipment	856,282	777,571
Amortisation of intangible assets	106,810	54,110
Depreciation of right-of-use assets	299,940	299,940
Rates and utilities costs	657,601	595,697
Property maintenance costs	328,279	265,400
Advertising costs	1,377,584	308,564
Other costs	60,631	62,664
	13,947,694	**11,314,803**
Impairment of receivables - writeback/(charge) (see note 27)	(187,856)	280,425
Exceptional items (see note 10)	(243,100)	-
	13,516,738	**11,595,228**

5. Operating profit

The operating profit is stated after charging/(crediting):

	2024	Restated 2023
	£	£
Depreciation of property, plant, and equipment	856,282	777,571
Amortisation of intangible assets	106,810	54,110
Depreciation of right-of-use assets	299,940	299,940
Inventory recognised as an expense	17,905,058	17,626,671
Loss/(Profit) on disposal of property, plant & equipment	13,605	(50,733)
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	105,000	85,000
Fees payable to the Group's auditor and its associates for the audit of the Group's prior year annual financial statements	17,600	50,000
Fees payable to the Group's auditor and its associates for the review of the Group's interim financial statements	13,000	13,000
Share-based payment expense	93,445	-

The prior year comparative has been restated as the amortisation of intangible assets is now shown separately.

6. Net finance costs

	2024	2023
	£	£
Finance expenses		
Bank loan interest	82,050	55,686
Finance lease interest	94,881	104,808
Other interest paid	14,704	-
Finance cost of discounted franchisee loans*	119,250	-
	310,885	**160,494**
Finance income		
Bank interest receivable	(153,145)	(25,019)
Net finance costs	**157,740**	**135,475**

*There is no comparative for the prior year as this was immaterial.

7. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2024	2023
	£	£
Wages and salaries	6,638,952	5,426,189
Social security costs	670,237	561,337
Pension costs	84,208	74,144
Private health	122,239	78,492
	7,515,636	**6,140,162**
Share-based payment expense	93,445	-
	7,609,081	**6,140,162**

The average monthly number of staff, including directors, for the year was 173 (FY23:173). The breakdown by department is as follows;

	2024	2023
Directors	7	6
Administration	42	41
Maintenance	20	19
Production and Logistics	104	107
	173	**173**

8. Dividends

	2024	2023
	£	£
Interim dividend of 2.9p per ordinary share	1,160,000	-
Final dividend of 5.5p per ordinary share proposed and paid during the year relating to the previous year's results	2,200,000	-
Interim dividend of 2.625p per ordinary share	-	1,050,000
Final dividend of 5.1p per ordinary share proposed and paid during the year relating to the previous year's results	-	2,040,000
	3,360,000	**3,090,000**

9. Directors' remuneration and key management personnel

The Directors' remuneration is disclosed within the Directors' Remuneration Report. The Executive Directors and Non-Executive directors are considered key management personnel. Employers NIC paid on Directors' remuneration in the year was £110,431 (FY23: £90,861).

10. Exceptional items

During FY21 the Group made a provision for estimated costs and fines with regards to a website data breach. During the 2024 financial year, based on the information submitted to the Information Commissioner's Office ("ICO") regarding the Group's security measures in place to prevent similar breaches, the ICO informed the Company that it would not be pursuing enforcement action in this case and consider the case closed.

	2024	2023
	£	£
Reversal of provision relating to website data breach (credit)	(243,100)	-

11. Taxation

	2024	2023
	£	£
Corporation tax		
Current tax on profits for the year	1,483,512	789,096
Adjustments in respect of previous periods	-	8,305
Deferred tax		
Arising from origination and reversal of temporary differences	62,065	262,433
Effect of changes in tax rates	-	142,951
Adjustments in respect of previous periods	61,165	4,111
Taxation on profit on ordinary activities	**1,606,742**	**1,206,896**

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is 25.6% (FY23: 22.2%), which is higher than the standard rate of corporation tax in the UK of 25% (FY23: 19%). The differences are explained below:

	2024	2023
	£	£
Profit on ordinary activities before tax	6,265,427	5,443,567
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (FY23: 19%)	1,566,357	1,034,279
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	35,882	96,260
Income not taxable	(56,662)	(79,010)
Effect of changes in tax rates	-	142,951
Adjustments to tax in respect of prior periods	61,165	12,416
Total tax charge for the year	**1,606,742**	**1,206,896**

At the 2021 Budget speech on 3 March 2021, the Government announced that the Corporation Tax rate will increase to 25% for companies with profits above £250,000 with effect from 1 April 2023, as well as announcing a number of other changes to allowances and treatment of losses. This has impacted the

Company's current tax charge accordingly.

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12. Deferred taxation

	2024	2023
	£	£
Balance brought forward	1,843,924	1,061,684
Charged to other comprehensive income:		
Deferred tax on revalued freehold property	55,795	35,656
Tax rate changes on revaluation reserve for freehold property	-	337,088
Charged directly to reserves:		
Employee benefits (including share-based payments)	(1,821)	-
Charged to profit and loss:		
Accelerated capital allowances	82,681	266,659
Tax rate changes	-	142,951
Share-based payments	(23,361)	-
Adjustments in respect of prior periods	64,734	4,111
Other short-term timing differences	(824)	(4,225)
Balance carried forward	**2,021,128**	**1,843,924**
	2024	**2023**
	£	**£**
Deferred tax liabilities		
Accelerated capital allowances	717,772	573,926
Other short-term timing differences	(5,052)	(7,797)
Share-based payments	(25,182)	-
Property valuations (including indexation)	1,333,590	1,277,795
	2,021,128	**1,843,924**

Movements in deferred tax in direct relation to freehold property revaluation are recognised immediately in the Consolidated Statement of Comprehensive Income, under other comprehensive income for the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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13. Property, plant, and equipment

	Freehold Land and Building	Freehold improvements	Plant & machinery	Motor vehicles	Fixtures & fittings	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2022	9,026,434	76,570	893,236	1,032,476	2,027,962	13,056,678
Additions	-	711,560	50,150	481,942	371,557	1,615,209
Disposals	-	-	-	(112,002)	-	(112,002)
Revaluations	187,665	-	-	-	-	187,665

Revaluations	[illegible]	-	-	-	-	[illegible]
At 31 March 2023	**9,214,099**	**788,130**	**943,386**	**1,402,416**	**2,399,519**	**14,747,550**
Depreciation						
At 1 April 2022	421,434	2,162	800,025	515,020	1,065,289	2,803,930
Charge for the year	77,665	118,970	41,911	286,595	252,430	777,571
Disposals	-	-	-	(101,734)	-	(101,734)
At 31 March 2023	**499,099**	**121,132**	**841,936**	**699,881**	**1,317,719**	**3,479,767**
Net book value						
At 31 March 2023	**8,715,000**	**666,998**	**101,450**	**702,535**	**1,081,800**	**11,267,783**

	Freehold Land and Building	Freehold improvements	Plant & machinery	Motor vehicles	Fixtures & fittings	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2023	9,214,099	788,130	943,386	1,402,416	2,399,519	14,747,550
Additions	-	193,672	91,101	251,422	356,031	892,226
Disposals	-	-	(53,492)	(105,585)	-	(159,077)
Revaluations	(339,099)	-	-	-	-	(339,099)
At 31 March 2024	**8,875,000**	**981,802**	**980,995**	**1,548,253**	**2,755,550**	**15,141,600**
Depreciation						
At 1 April 2023	499,099	121,132	841,936	699,881	1,317,719	3,479,767
Charge for the year	63,178	168,109	56,801	305,705	262,489	856,282
Revaluations	(562,277)	-	-	-	-	(562,277)
Disposals	-	-	(25,896)	(86,469)	-	(112,365)
At 31 March 2024	**-**	**289,241**	**872,841**	**919,117**	**1,580,208**	**3,661,407**
Net book value						
At 31 March 2024	**8,875,000**	**692,561**	**108,154**	**629,136**	**1,175,342**	**11,480,193**

This year the Directors have disclosed the Freehold Land and Building column in the above note on a net basis as this gives a clearer understanding of the revaluation effect on the asset class in the year and for the future periods.

13 Property, plant, and equipment (continued)

As at 31 March 2024, all freehold property was valued by independent 3rd party qualified valuers, in accordance with the RICS Valuation - Global Standards 2017 (the Red Book). During their valuation, the valuers have considered the various geographical areas the properties are located in and the market values of similar properties in the same areas. The directors believe these valuations to be representative of the fair value as at 31 March 2024.

The fair value of freehold property is categorised as a level 3 recurring fair value measurement.

The following table summarises the quantitative information about the significant unobservable inputs used in recurring level 3 fair value measurements:

	Fair value at 31 March 2024	Valuation technique	Sq ft	Rate per sq ft - average
	£			
Property				
		Vacant		

Enfield	7,050,000	possession	39,121	180
Coventry	1,200,000	Vacant possession	13,000	92
Bradford	625,000	Vacant possession	9,358	67
Total	**8,875,000**			

If the Freehold properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	2024	2023
	£	£
Historic cost	3,433,746	3,433,746

14 Intangible assets

	Website	Software	ERP system	Total
	£	£	£	£
Cost				
At 1 April 2022	170,670	60,270	57,265	288,205
Additions	263,432	18,358	64,233	346,023
At 31 March 2023	**434,102**	**78,628**	**121,498**	**634,228**
Amortisation				
At 1 April 2022	108,125	47,754	25,053	180,932
Charge for the year	28,447	11,347	14,316	54,110
At 31 March 2023	**136,572**	**59,101**	**39,369**	**235,042**
Balance at 31 March 2023	**297,530**	**19,527**	**82,129**	**399,186**

14 Intangible assets (continued)

	Website	Software	ERP system	Total
	£	£	£	£
Cost				
At 1 April 2023	434,102	78,628	121,498	634,228
Additions	133,881	111,000	209,039	453,920
Disposals	(22,215)	-	-	(22,215)
At 31 March 2024	**545,768**	**189,628**	**330,537**	**1,065,933**
Amortisation				
At 1 April 2023	136,572	59,101	39,369	235,042
Charge for the year	83,293	9,201	14,316	106,810
Disposals	(3,702)	-	-	(3,702)
At 31 March 2024	**216,163**	**68,302**	**53,685**	**338,150**
Balance at 31 March 2024	**329,605**	**121,326**	**276,852**	**727,783**

15 Leases

The Consolidated Statement of Financial Position shows the following amounts in relation to leases:

	Property
	£
Cost	
At 1 April 2023	2,999,405
Additions	-
At 31 March 2024	**2,999,405**
Depreciation	
At 1 April 2023	424,915
Charge for the year	299,940
At 31 March 2024	**724,855**
Net book value	
At 31 March 2023	**2,574,490**
At 31 March 2024	**2,274,550**

	2024	2023
	£	£
Lease liabilities		
Current	280,425	270,117
Non-Current	2,149,413	2,429,838
	2,429,838	**2,699,955**

The Group's obligations are secured by the lessor's title to the leased assets for such leases.

15 Leases (continued)

Amounts recognised in the Consolidated Statement of Comprehensive Income are as follows:

	2024	2023
	£	£
Amortisation expense of right-of-use assets	299,940	299,940
Interest expense on lease liabilities	94,881	104,808

The total cash outflow for leases amount to £365,000 (FY23: £365,000).

16 Inventories

	2024	Restated 2023
	£	£
Raw materials	361,842	295,891
Goods held for resale	2,230,996	2,494,833
	2,592,838	2,790,724

Inventories are charged to cost of sales in the Consolidated Statement of Comprehensive Income. Inventories have been disclosed between raw materials for production purposes and goods held for resale. Prior year disclosure has been restated to reflect the above change in disclosure.

17 Trade and other receivables

	2024	Restated 2023
	£	£
Trade receivables	3,532,253	1,974,313
Impairment allowance	(92,569)	(230,537)
Trade receivables net of impairment allowance	**3,439,684**	**1,743,776**
Other receivables	266,508	370,222

Other receivables	266,508	370,222
Prepayments	447,992	569,623
	4,154,184	**2,683,621**

The prior year disclosure has been restated to show the gross trade receivables and impairment allowance as at the end of the financial year. The balances have not changed, only the manner in which it is disclosed.

The fair value of those trade and other receivables classified as financial assets at amortised cost are disclosed in the financial instruments note (note 27).

The Group's exposure to credit and market risks, including impairments and allowances for credit losses, relating to trade and other receivables is disclosed in the financial risk management and impairment of financial assets note (note 28).

Trade receivables are non-interest bearing, are generally on 14-day terms and are shown net of impairment allowance. Management's assessment is that a loss allowance of £92,569 (FY23: £230,537) is required against some receivables from franchisees.

The age profile of the trade receivables is shown in note 27.

18 Other financial assets

	2024	2023
	£	£
Current	487,652	245,880
Non-current	564,535	508,532
	1,052,187	**754,412**

	2024	2023
	£	£
Total loans to franchisees	1,052,187	804,300
Impairment allowance	-	(49,888)
	1,052,187	**754,412**

Other financial assets consist of loans to franchisees. Loans are interest free and payable in equal monthly instalments. All non-current assets are due within five years of the statement of financial position date. The carrying amount of the loans are valued at fair value at market rates. See note 27 (Financial Instruments) and 28 (Financial Risk Management) for further information regarding the impairment of Other Financial Assets.

19 Share capital

	2024	2023
	£	£
40,000,000 Ordinary shares of £0.01 each	**400,000**	**400,000**

All of the ordinary shares of £0.01 each carry voting rights, the right to participate in dividends, and entitle the shareholders to a pro-rata share of assets on a winding up.

20 Reserves

The following describes the nature and purpose of each reserve within equity:

<u>Capital redemption reserve</u>
Amounts transferred from share capital on redemption of issued shares.

<u>Revaluation reserve</u>
Gain/(losses) arising on the revaluation of the Group's properties (other than investment property).

<u>Retained earnings</u>
All other net gains and losses and transactions with owners (e.g., dividends, fair value movements of investment property) not recognised elsewhere.

Share option reserve

The share option reserve represents the movement in cost of equity-settled transactions in relation to the long-term incentive plans. See note 21 for more information.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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21 Share-based payments

The expense recognised for share-based payments in respect of employee services received during financial year ended 31 March 2024 was £93,445 (FY23: £NIL).

Long Term Incentive Plan ('LTIP')

All employees and full-time Executive Directors of the Group are eligible to participate in the LTIP at the discretion of the Remuneration Committee. Share awards may be granted subject to objective performance conditions and vest over a vesting period determined by the Remuneration Committee at the time of grant.

During 2024 the Remuneration Committee approved the grant of the following share options under the LTIP scheme. All grants are in the form of equity settled share options.

Enterprise Management Incentive Scheme ('EMI')

It was proposed and agreed by the Remuneration Committee to issue a total of 534,842 share options under the EMI scheme to 24 employees (including two Executive Directors). These options are capable of vesting on the third anniversary of the grant of the options, based on the following performance criteria being met:

- 25% of the option vests if an aggregate Earnings Per Share ("EPS") of 14.0p is achieved over the three financial yeas starting from the financial year in which the date of the grant occurs in.
- An additional 0.1% of the option vests for every 0.0033p achieved above an aggregate EPS of 14.0p, up to a maximum of 100% of the option held.
- In full if an aggregate EPS of 16.5p is achieved over the three financial years starting from the financial year in which the date of grant occurs in.

The options may not be exercised later than on the tenth anniversary of the date of grant.

Unapproved Share Option Scheme

It was proposed and agreed by the Remuneration Committee to issue a total of 199,876 share options under the EMI scheme to two Executive Directors. These options are capable of vesting on the third anniversary of the grant of the options, based on the following performance criteria being met:

- 25% of the option vests if an aggregate Earnings Per Share ('EPS') of 14.0p is achieved over the three financial years starting from the financial year in which the date of the grant occurs in.
- An additional 0.1% of the option vests for every 0.0033p achieved above an aggregate EPS of 14.0p, up to a maximum of 100% of the option held.
- In full if an aggregate EPS of 16.5p is achieved over the three financial years starting from the financial year in which the date of grant occurs in.

The options may not be exercised later than on the tenth anniversary of the date of grant.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. Share-based payments(continued)

	Exercise price	Outstanding at 31 March 2023	Granted during the period	Exercised during the period	Forfeited during the period	Outstanding at 31 March 2024	Weighted average remaining life	Exercisable at 31 March 2024
		Number	Number	Number	Number	Number	Years	Number
EMI Scheme	1p - 162p	-	534,842	-	-	534,842	9.75	-
Unapproved share option scheme	1p - 162p	-	199,876	-	-	199,876	9.64	-
Total		**-**	**734,718**	**-**	**-**	**734,718**		
Weighted average exercise price			65p			65p		-

The fair value of awards granted is estimated at the date of grant using the Black-Scholes option-pricing model using the terms and conditions upon which they were granted. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome. The following table summaries the inputs used in the fair value models for grants made in the period ended 31 March 2024, together with the fair values calculated by those models:

	EMI Scheme	Unapproved share option scheme
Weighted average fair value - pence	119.2	148.3
Weighted average share price at grant - pence	156.1	149.0
Weighted average exercise price - pence	89.0	1.0
Number of periods to exercise - years	10.0	10.0
Dividend yield - %	4.8	4.8
Risk-free rates - %	4.0	4.1
Expected volatility - %	41.4	41.6

For options granted the volatility reflects the historical volatility based on share transactions since listing. Daily closing share prices from since 27 June 2018 to the grant dates were reviewed and the standard deviation of the percentage movements in share price calculated and utilised in determining the expected volatility.

The risk-free rate is the interest rate on a debt instrument that has zero risk, specifically default and reinvestment risk. The interest rate on zero-coupon government securities, such as Treasury bills, notes, and bonds in the UK, is treated as a proxy for the risk-free rate. The interest rate on a 10-year government bond on the date of grant has been used in the fair value calculations of the options.

22. Borrowings

	2024	2023
	£	£
Current borrowings		
Bank loans	146,544	104,498
Non-current borrowings		
Bank loans	997,050	1,132,292
Total	**1,143,594**	**1,236,790**

Bank loans have fixed charges over the properties to which they relate and interest of 2.15% - 2.23% above Bank of England base rate are charged on the loans. The loans are repayable in monthly instalments with final payments due between May 2029 and March 2030.

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23. Trade and other payables

	2024	2023
	£	£
Trade payables	2,953,202	2,648,770
Other taxation and social security	246,417	268,635
Other payables	399,605	316,375

Other payables	[illegible]	[illegible]
	3,599,224	3,233,780
Accruals	1,293,004	532,633
	4,892,228	**3,766,413**

The fair value of the trade and other payables classified as financial instruments are disclosed in the financial instruments (note 27).

The Group's exposure to market and liquidity risks related to trade and other payables is disclosed in the financial risk management and impairment of financial assets note (note 28). The Group pays its trade payables on terms and as such trade payables are not yet due at the statement of financial position dates**.**

24. Provisions

During FY21 the Group made a provision with regards to an estimation of costs and potential fines relating to a website data breach. The amount outstanding at 31 March 2023 related to potential fines to be imposed by the ICO in respect of the data breach.

	2024	2023
	£	£
Website data breach		
Balance brought forward	243,100	243,100
Released during the period	(243,100)	-
	-	**243,100**

During the 2024 financial year, based on the information submitted to the ICO regarding the Group's security measures in place to prevent similar breaches, the ICO informed the Company that it would not be pursuing enforcement action in this case and consider the case closed, and the Company therefore released the balance of the provision (see note 10 Exceptional items).

25. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £84,208 (FY23: £74,144). Contributions totalling £20,206 (FY23: £16,904) were payable to the fund at the statement of financial position date and are included in other payables (note 23).

26. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. Related party transactions are considered to be at arms-length.

Key management personnel are only the Executive and Non-Executive directors and details of the amounts paid to them are included within note 9 and the Directors Remuneration Report.

26. Related party transactions (continued)

Key management personnel had an interest in dividends as follows:

	2024	2023
	£	£
Sukh Chamdal	853,685	777,435
Dr Jaswir Singh	52,591	45,815
Neil Sachdev (resigned 31 October 2023)	2,815	2,589
Alison Green	504	464
Martin Blair	1,680	1,545
	911,275	**827,848**

During the year the Group made sales to companies under the control of the Directors. All sales were made on an arms-length basis. These are detailed as follows with Director shareholding % shown in brackets:

arms length basis. These are detailed as follows with Director shareholding % shown in brackets.

	2024		2023	
Mr. Sukh Chamdal	Sales	Balance	Sales	Balance
	£	£	£	£
Cake Box (Crawley) Limited (0%) *	142,210	37,671	170,370	11,163
Cake Box CT Limited (0%) *	280,758	20,985	287,837	18,198
Cake Box (Strood) Limited (0%) *	133,116	19,449	132,353	6,824
	556,084	**78,105**	**590,560**	**36,185**

**100% owned by Mr Chamdal's daughter*

	2024		2023	
Dr Jaswir Singh	Sales	Balance	Sales	Balance
	£	£	£	£
Luton Cake Box Limited (10%)	445,802	18,618	410,560	18
Peterborough Cake Box Limited (30%)	230,447	9,827	229,149	(324)
Cream Cake Limited (30%)	285,131	13,574	246,223	-
MK Cakes Limited (0%)**	222,777	9,258	228,082	-
Bedford Cake Box Limited (0%)**	230,995	9,523	197,808	-
Chaz Cakes Limited (50%)	-	-	177,785	-
Ilford Cakes Limited (50%)	186,387	9,520	-	-
Eggless Cake Company Limited (50%)	193,378	7,610	178,344	-
	1,794,917	**77,930**	**1,667,951**	**(306)**

*** 100% owned by Dr Singh's son or wife*

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27. Financial instruments

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies, and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

The material accounting policies regarding financial instruments are disclosed in note 2.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous years unless otherwise stated in this note (note 28).

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

Financial assets

	Held at amortised cost	
	2024	2023
	£	£
Cash and cash equivalents	**8,454,265**	**7,353,583**
Trade and other receivables	3,798,761	2,344,536
Impairment of trade receivables	(92,569)	(230,537)
Net trade and other receivables	**3,706,192**	**2,113,999**
Other financial assets	1,052,187	804,300
Impairment of Other financial assets	-	(49,888)

Impairment of Other financial assets	-	(49,888)
Net other financial assets	**1,052,187**	**754,412**
	13,212,644	**10,221,994**

Financial liabilities

	Held at amortised cost	
	2024	2023
	£	£
Trade and other payables	3,599,224	3,233,780
Secured borrowings	1,143,594	1,236,790
	4,742,818	**4,470,570**

28. Financial risk management

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, while retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular reports from the Chief Financial Officer through which it reviews the effectiveness of processes put in place and the appropriateness of the objectives and policies it sets.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

28 Financial risk management (continued)

Credit risk and impairment

Credit risk arises principally from the Group's trade and other receivables and it's other financial assets (which includes loans to franchisees). It is the risk that the counter party fails to discharge its obligation in respect of the instrument. The maximum exposure to credit risk equals the carrying value of these items in the financial statements as the Group has the power to stop supplying the customer until payment is received in full.

Definition of default

The loss allowance on all financial assets is measured by considering the probability of default.

Receivables are considered to be in default when the principal or any interest is more than 90 days past due, based on an assessment of past payment practices and the likelihood of such overdue amounts being recovered.

Determination of credit-impaired financial assets

The Group considers financial assets to be 'credit-impaired' when the following events, or combinations of several events, have occurred before the year-end:

- significant financial difficulty of the counterparty arising from significant downturns in operating results and/or significant unavoidable cash requirements when the counterparty has insufficient finance from internal working capital resources, external funding and/or group support;
- a breach of contract, including receipts being more than 240 days past due;
- it becoming probable that the counterparty will enter bankruptcy or liquidation.

Write-off policy

Receivables and other financial assets are written off by the Company when there is no reasonable expectation of recovery, such as when the counterparty is known to be going bankrupt, or into liquidation or administration. Receivables will also be written off when the amount is more than 300 days past due and is not covered by security over the assets of the counterparty or a guarantee.

Impairment of trade receivables and other financial assets

The Group calculates lifetime expected credit losses for trade receivables and other financial assets using a portfolio approach. All items are grouped based on the credit terms offered and the type of product sold. The probability of default is determined at the year-end based on the aging of the receivables and historical data about default rates on the same basis. That data is adjusted if the Group determines that historical data is not reflective of expected future conditions due to changes in the nature of its customers and how they are affected by external factors such as economic and market conditions.

The age profile of the trade receivables and expected credit loss is shown in the table below:

		2024	2023
	Expected loss rate	£	£
0 - 30 days	0.1%	2,370,195	1,509,715
30 - 60 days	0.2%	623,834	43,111
60 - 90 days	0.5%	132,591	32,822
More than 90 days	1.0%	405,633	388,665
		3,532,253	1,974,313
Impairment provision		(92,569)	(230,537)
		3,439,684	**1,743,776**

28 Financial risk management (continued)

The Group applies the IFRS 9 simplified approach to measure credit losses using an expected credit loss provision for trade receivables.

The Group provides loans to franchisees as part of their financing for new store openings. The loans are interest free with an upfront arrangement fee included in the loan. The loans are unsecured however if loan repayment schedules are not adhered to, supply of product and ingredients are put on hold and franchisees are in breach of their franchise agreement. As a result, the Group has the option to resell the franchise to another interested party with the purchase price being used to first repay the loan and any outstanding trade receivables, with any excess going to the original franchisee. The loan periods are for periods of one or five years.

The Group uses three categories for loans which reflect their credit risk and how the loan loss provision is determined for each of those categories. A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Group definition of category	Basis for recognition of expected credit loss provision
Performing	Loans whose credit risk is in line with original expectations.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime (stage 1).
Underperforming	Loans for which a significant increase in credit risk has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are 30 days past due(see above in more detail).	Lifetime expected losses (stage 2).
Non-performing (credit impaired)	Interest and/or principal repayments are 60 days past due or it becomes probable a customer will enter bankruptcy.	Lifetime expected losses (stage 3).
Write-off	Interest and/or principal repayments are 120 days past due and there is no reasonable expectation of recovery.	Asset is written off.

Over the term of the loans, the group accounts for its credit risk by appropriately providing for expected credit losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates and adjusts for forward-looking macroeconomic data. The Group provides for credit losses against loans to franchisees as follows:

Group internal credit rating	Expected credit	Gross carrying	Gross carrying	Gross carrying

Group internal credit rating as at 31 March 2023	Expected credit loss	Gross carrying amount (stage 1)	Gross carrying amount (stage 2)	Gross carrying amount (stage 3)
High	0.1%	754,412	-	-
Medium	10.0%	-	-	-
Low	20.0%	49,888	-	-

28 Financial risk management (continued)

Group internal credit rating as at 31 March 2024	Expected credit loss	Gross carrying amount (stage 1)	Gross carrying amount (stage 2)	Gross carrying amount (stage 3)
High	0.1%	1,052,187	-	-
Medium	10.0%	-	-	-
Low	20.0%	-	-	-

	Performing	Under-performing	Non-performing	Total
As at 31 March 2023	£	£	£	£
Individual financial assets transferred to underperforming (lifetime expected credit losses)	-	49,888	-	49,888

	Performing	Under-performing	Non-performing	Total
As at 31 March 2024	£	£	£	£
Individual financial assets transferred to underperforming (lifetime expected credit losses)	-	-	-	49,888

No significant changes to estimation techniques or assumptions were made during the reporting period. The Group has assessed the default risk as very low on franchisee loans as these loans are made to franchisee's rather than a traditional third party. No expected credit loss has been recognised for Stage 1 loans in line with management's assessment.

The loss allowance for loans to franchisees as at 31 March 2023 and 31 March 2024 reconciles to the opening loss allowance for that provision as follows:

Out of the total impairment provision of £92,569 (FY23: £280,425), £92,569 (FY23: £230,537) relates to specifically impaired trade receivable debt and £NIL (FY23: £49,888) relates to franchisee loans.

Liquidity risk

The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

The Board receives cash flow projections on a regular basis which are monitored regularly. The Board will not commit to material expenditure in respect of its ongoing development programme prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes.

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28 Financial risk management (continued)

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	2024	2023
	£	£
Borrowings - due within one year	146,544	104,498
Borrowings - due within one to two years	158,337	109,296
Borrowings - due after more than two years	838,713	1,022,996
	1,143,594	**1,236,790**
Lease liabilities - due within one year	280,425	270,117
Lease liabilities - due within one to two years	291,123	280,425
Lease liabilities - due within two - five years	941,720	907,113
Lease liabilities - due after more than five years	916,570	1,242,300
	2,429,838	**2,699,955**

Trade and other payables

	2024	2023
	£	£
0 - 30 days	3,603,819	2,995,879
30 - 60 days	1,265,251	768,490
60 - 90 days	19,914	-
90 to 120 days	3,244	2,044
	4,892,228	**3,766,413**

Interest rate risk

The Group is exposed to interest rate risk due to entities in the Group borrowing funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining good relationships with banks and other lending providers and by ensuring cash reserves are high enough to cover the debt. Where possible fixed terms of interest will be sought.

The Group analyses the interest rate exposure on a regular basis. A sensitivity analysis is performed by applying a simulation technique to the liabilities that represent major interest-bearing positions. Various scenarios are run taking into consideration refinancing, renewal of the existing positions, alternative financing and hedging. Based on the simulations performed, the impact on profit or loss and net assets of a 100 basis-point shift (FY23:100 basis-point shift) would be a change of £11,436 (FY23- £12,368).

28 Financial risk management (continued)

Capital risk management

The Group considers its equity capital to comprise its ordinary share capital and retained profits. In managing its capital, the Group's primary objective is to provide return for its equity shareholders through capital growth and future dividend income. The Group's policy is to seek to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues or the issue of debt, the Group considers not only its short-term position but also its long-term operational and strategic objectives.

Details of the Group's capital is disclosed in the Consolidated Statement of Changes in Equity.

There have been no other significant changes to the Group's management objectives, policies and procedures in the year nor has there been any change in what the Group considers to be capital.

Currency risk

The Group is not exposed to any significant currency risk. The Group manages any currency exposure by retaining a small holding in US Dollars however all other cash balances are held in Sterling.

29 Events after the reporting period

Final dividend

Post year end the directors have recommended a final dividend of 6.1p per share (FY23: 5.5p per share).

Purchase of land and buildings

Following the year end, the opportunity arose to purchase the land and buildings neighbouring our current depot in Bradford. As the opportunity to acquire the land adjacent to our current facilities are rare, the Board took the decision to take advantage of the opportunity and move ahead and purchase the land and buildings. This will enable the Group to service its further expansion in the north of England and Scotland. The purchase price of the land and buildings was £0.7m, with a further estimated £0.6m to construct a new warehouse on the land. The purchase of the land was concluded during May 2024, out of current cash reserves.

30 Subsidiary undertakings

Name	Country of incorporation	Class of shares	Holding	Principal activity
Eggfree Cake Box Limited	United Kingdom	Ordinary	100%	Franchisor of specialist cake stores
Chaz Limited	United Kingdom	Ordinary	100%	Property rental company

The above subsidiaries have the same registered office address as Cake Box Holdings plc.

31 Note supporting statement of cashflows

	2024	2023
	£	£
Cash at bank available on demand	8,453,905	7,353,183
Cash on hand	360	400
	8,454,265	**7,353,583**

There were no significant non-cash transactions from financing activities (FY23 : none).

Non-cash transactions from financing activities are shown in the reconciliation of liabilities from financing transactions below:

	Non-current lease	Current lease	Non-current	Current	

	lease liabilities	Current lease liabilities	Non-current borrowings	Current borrowings	Total
	£	£	£	£	£
As at 31 March 2022	2,699,957	260,192	1,185,978	167,754	4,313,881
Cash flows					
Repayments	-	(365,000)	-	(172,628)	(537,628)
Non-cash flows					
Interest	-	104,808	50,812	4,874	160,494
Non-current liabilities becoming current during the year	(270,119)	270,119	(104,498)	104,498	-
As at 31 March 2023	**2,429,838**	**270,119**	**1,132,292**	**104,498**	**3,936,747**
Cash flows					
Repayments		(365,000)		(175,246)	(540,246)
Non-cash flows					
Interest		94,881	11,302	70,748	176,931
Non-current liabilities becoming current during the year	(280,425)	280,425	(146,544)	146,544	-
As at 31 March 2024	**2,149,413**	**280,425**	**997,050**	**146,544**	**3,573,432**

32 Ultimate controlling party

The Group considers there is no ultimate controlling party.

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33. Earnings per share

	2024	2023
	£	£
Profit after tax attributable to the owners of Cake Box Holdings plc	4,658,685	4,236,671
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	40,000,000	40,000,000
Weighted average number of ordinary shares used in calculating diluted earnings per share	40,734,718	40,000,000
	Pence	Pence
Basic earnings per share	11.65	10.59
Diluted earnings per share	11.44	10.59

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