

**Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2019**
for
CALL CATERLINK LTD



Ernst & Young LLP
Statutory Auditors
The Paragon
Counterslip
Bristol
BS1 6BX

**Contents of the Financial Statements
for the year ended 31 December 2019**

	Page
Company Information	1
Strategic Report	2 to 3
Report of the Directors	4 to 5
Report of the Independent Auditor	6 to 7
Income Statement	8
Statement of Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12 to 23
Trading and Profit and Loss Account	24 to 26

CALL CATERLINK LTD
Company Information
for the year ended 31 December 2019

DIRECTORS:	M Wodskou B B Pooley T Osmundsen N Millar T E Bruck N P Venditti R A Marcantonio
SECRETARY:	M Wodskou
REGISTERED OFFICE:	Unit 8 Bodmin Business Park Launceston Road Bodmin Cornwall PL31 2RJ
REGISTERED NUMBER:	02853829 (England and Wales)
AUDITOR:	Ernst & Young LLP Statutory Auditors The Paragon Counterslip Bristol BS1 6BX
SOLICITORS:	Dundas & Wilson LLP Northwest Wing Bush House Aldwych London WC2B 4EZ

**Strategic Report
for the year ended 31 December 2019**

The directors present their strategic report for the year ended 31 December 2019.

The principal activity of the company in the year under review was that of the sale of ice cream cones and associated products.

REVIEW OF BUSINESS

The company's key financial indicators during the year were as follows:

	31/12/19 £	31/12/18 £
Turnover	14,876,304	13,659,533
Total operating profit	2,854,689	2,289,438
Profit after tax	2,246,222	1,787,054
Shareholders' funds	4,585,548	4,872,326

The very good summer weather of 2018 set a high bar for 2019 and the less than favourable conditions at key times of the year in 2019 depressed sales. Notwithstanding, as responsibilities for sales in certain geographic areas were transferred from this company's sister company, Marcantonio Foods Ltd sales in Call Caterlink Ltd increased. In addition, efficiencies and cost management have assisted in the increase in profit.

On the 1st January 2020 the assets and business of the company were transferred to its sister subsidiary Nic ICE Ltd, formerly Marcantonio Foods Ltd. At that time Call Caterlink Ltd became a dormant company.

PRINCIPAL RISKS AND UNCERTAINTIES

As Call Caterlink Ltd ceased to trade on 31 December 2019 the risks and uncertainties to the transferred business were those that impact on the company that now pursues this business; Nic ICE Ltd.

The directors of Nic ICE Ltd have identified the following risks as those significant to the future prospects of the business: currency volatility, loss of a key supplier, loss or economic failure of a key customer, contamination and product recall, and exit from the European Union without a deal (specifically the effect of tariffs and duty charges). The directors consider that the company has rigorous controls in place to mitigate these risks as far as it is possible to do so.

Exchange Rate and Brexit

In this respect its principal financial risk is that of exchange rate fluctuation, a significant proportion of its product purchases being in Euros and the majority of sales being in Sterling. Sterling's devaluation and subsequent fluctuations following 'brexit' have demonstrated the challenges the company faces in respect to the effect on its cost of purchases, which the Board seeks to manage with its price management processes and a prudent policy of hedging to mitigate exposure to such fluctuations utilising the treasury facilities available to it as a member of the Orkla ASA group.

A no deal Brexit will also provide challenges in respect to tariffs and delivery delays in respect to the goods that the company imports. The planned leaving date, as at the time of this report, mitigates these factors because:

- It falls in a period of low demand and current stock levels are capable of supplying demand even if there are delays in deliveries.
- 2021 prices will not have been set so should tariffs be applied and Sterling exchange rate suffers further devaluation these could be reflected in selling prices if it is decided to do so.

The company will have made every practical preparation to mitigate any supply risk in the event of a no deal Brexit.

**Strategic Report
for the year ended 31 December 2019**

Coronavirus

Since the balance sheet date the COVID-19 crisis and associated lockdown has had a material effect on the trading activity of Nic ICE Ltd, the company's customers and therefore the company's trading activity. Certain sales channels however have not been adversely affected, notably Retail. Nic ICE Ltd made use of the UK governments furlough scheme but due to the demand for manufactured products through its retail customers remaining high, the production facilities continued to operate throughout the crisis. Through the utilisation of its reserves and support from Orkla the company weathered the severe economic downturn created by lockdown and is now benefiting from rising sales as a result of the easing of lockdown restrictions. Whilst it will be some time before the sales activity reaches the levels of 2019 the board are confident that the company can and will trade through the crisis and in time surpass the trading levels of previous years.

Credit risk

Nic ICE Ltd has implemented policies that require appropriate credit checks on potential customers before new accounts are accepted. Internal controls are in place to ensure all customer balances are continually monitored and the board closely oversees credit provided by the company to its customers.

Interest rate risk

The company has interest bearing liabilities. Interest bearing liabilities are inter-group borrowing facilities and finance lease agreements on which interest is charged at a floating and fixed rates respectively.

Liquidity and cash flow risk

On the transfer of the business and assets to Nic ICE Ltd the company became dormant and therefore has no requirement for working capital or financial support.

APPROVED AND SIGNED ON BEHALF OF THE BOARD:


.....
B B Pooley - Director

Date: 21st September 2020

**Report of the Directors
for the year ended 31 December 2019**

The directors present their report with the financial statements of the company for the year ended 31 December 2019.

DIVIDENDS

Dividends of £2,533,000 (£2,533 per share) were declared in respect of the year ended 31 December 2019 (2018: £nil).

FUTURE DEVELOPMENTS

It is the company's immediate objective to utilise its resources to achieve growth in revenue and maintain margins.

In order that the close working relationship between Call Caterlink Ltd and its sister subsidiary NIC Ice Ltd may be enhanced the trade and assets of Call Caterlink Ltd were transferred to NIC Ice Ltd on the 1st January 2020 at their book values.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2019 to the date of this report.

M Wodskou
B B Pooley
T Osmundsen
N Millar
T E Bruck
N P Venditti
R A Marcantonio

GOING CONCERN

On the 1st January 2020 the business and net assets of the company were transferred to Nic ICE Ltd at net book value, the consideration for the transfer of these assets being held on inter-company account. From that date the company has been a dormant company. The COVID-19 crisis has had no effect on the value of the assets at the time of transfer and therefore the value of the inter-company liability.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors
for the year ended 31 December 2019**

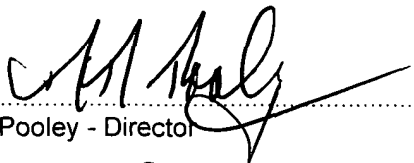
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITOR

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

APPROVED AND SIGNED ON BEHALF OF THE BOARD:


.....
B B Pooley - Director

Date: 21st September 2020

Report of the Independent Auditor to the Members of Call Caterlink Ltd

Opinion

We have audited the financial statements of Call Caterlink Ltd (the 'company') for the year ended 31 December 2019 which comprise the Income Statement, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes 1 to 26, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Basis of preparation and Effects of COVID-19

We draw attention to Note 2 of the financial statements which explains that the assets and trade of the company were transferred to a fellow sister company after the balance sheet date, after which the company was dormant and the directors therefore do not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a basis other than going concern as described in Note 2.

In addition, we draw attention to Note 2 and Note 25 to the financial statements, which describes the economic and social consequences the company is facing as a result of COVID-19 which is impacting consumer demand.

Our opinion is not modified in respect of these matters.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Report of the Independent Auditor to the Members of
Call Caterlink Ltd**

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for this report, or for the opinions we have formed.

Ernst & Young LLP

Jane Barwell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP
Statutory Auditors
Bristol

Date: *24 September 2020*

Income Statement
for the year ended 31 December 2019

	Notes	31/12/19		31/12/18	
		£	£	£	£
TURNOVER	3		14,876,304		13,659,533
Cost of sales			<u>8,098,739</u>		<u>7,556,593</u>
GROSS PROFIT			6,777,565		6,102,940
Distribution costs		2,080,613		1,925,669	
Administrative expenses		<u>1,870,476</u>		<u>1,907,367</u>	
			<u>3,951,089</u>		<u>3,833,036</u>
			2,826,476		2,269,904
Other operating income			<u>28,213</u>		<u>19,534</u>
OPERATING PROFIT	6		2,854,689		2,289,438
Interest receivable and similar income	7		<u>43</u>		<u>26</u>
			2,854,732		2,289,464
Interest payable and similar expenses	8		<u>72,278</u>		<u>75,458</u>
PROFIT BEFORE TAXATION			2,782,454		2,214,006
Tax on profit	9		<u>536,232</u>		<u>426,952</u>
PROFIT FOR THE FINANCIAL YEAR			<u><u>2,246,222</u></u>		<u><u>1,787,054</u></u>

The notes on pages 12 to 23 form part of these financial statements

**Statement of Comprehensive Income
for the year ended 31 December 2019**

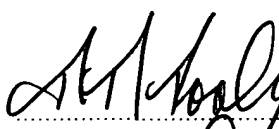
	Notes	31/12/19 £	31/12/18 £
PROFIT FOR THE YEAR		2,246,222	1,787,054
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,246,222</u>	<u>1,787,054</u>

The notes on pages 12 to 23 form part of these financial statements

Balance Sheet
31 December 2019

	Notes	31/12/19 £	£	31/12/18 £	£
FIXED ASSETS					
Intangible assets	11		287,315		-
Tangible assets	12		<u>649,397</u>		<u>632,698</u>
			936,712		632,698
CURRENT ASSETS					
Stocks	13	1,463,118		2,239,845	
Debtors	14	1,761,173		2,687,477	
Cash at bank and in hand		<u>5,143,183</u>		<u>3,761,757</u>	
		8,367,474		8,689,079	
CREDITORS					
Amounts falling due within one year	15	<u>1,434,242</u>		<u>1,235,983</u>	
NET CURRENT ASSETS			<u>6,933,232</u>		<u>7,453,096</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			7,869,944		8,085,794
CREDITORS					
Amounts falling due after more than one year	16		(3,283,604)		(3,211,326)
PROVISIONS FOR LIABILITIES	19		<u>(792)</u>		<u>(2,142)</u>
NET ASSETS			<u>4,585,548</u>		<u>4,872,326</u>
CAPITAL AND RESERVES					
Called up share capital	20		1,000		1,000
Revaluation reserve	21		15,153		15,153
Capital redemption reserve	21		115,200		115,200
Retained earnings	21		<u>4,454,195</u>		<u>4,740,973</u>
SHAREHOLDERS' FUNDS			<u>4,585,548</u>		<u>4,872,326</u>

The financial statements were approved for issue by the Board of Directors and authorised for issue on 21st September 2020 and were signed on its behalf by:


B B Pooley - Director

**Statement of Changes in Equity
for the year ended 31 December 2019**

	Called up share capital £	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Total equity £
Balance at 1 January 2018	1,000	2,953,919	15,153	115,200	3,085,272
Changes in equity					
Total comprehensive income	-	1,787,054	-	-	1,787,054
Balance at 31 December 2018	<u>1,000</u>	<u>4,740,973</u>	<u>15,153</u>	<u>115,200</u>	<u>4,872,326</u>
Changes in equity					
Dividends	-	(2,533,000)	-	-	(2,533,000)
Total comprehensive income	-	2,246,222	-	-	2,246,222
Balance at 31 December 2019	<u>1,000</u>	<u>4,454,195</u>	<u>15,153</u>	<u>115,200</u>	<u>4,585,548</u>

The notes on pages 12 to 23 form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2019**

1. STATUTORY INFORMATION

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

The company's principal activity is disclosed in the Strategic Report.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are prepared in sterling which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound sterling.

Going concern

On the 1st January 2020 the business and net assets of the company were transferred to Nic ICE Ltd at net book value, the consideration for the transfer of these assets being held on inter-company account. From that date the company has been a dormant company. As a result the financial statements are not prepared on a going concern basis. In preparing the financial statements on an alternate basis, the directors have continued to apply the requirements of FRS 102 taking account that the company is not expected to continue as a going concern in the foreseeable future. The COVID-19 crisis has had no effect on the value of the assets at the time of transfer and therefore the value of the inter-company asset.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the exemption, available under paragraphs 1.11 and 1.12 of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", from the disclosure requirements of Section 7 Statement of Cash Flows.

Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the period.

Revenue recognition

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is usually on dispatch of goods.

Intangible fixed assets

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

Patents and licences are amortised evenly over their estimated useful lives of one year.

Software are amortised evenly over their estimated useful lives of five to seven years.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible assets are initially measured at cost. Such costs includes costs directly attributable to making the asset capable of operating as intended. Subsequent to initial recognition, tangible assets are stated at cost less accumulated depreciation and accumulated impairment.

Tangible fixed assets are depreciated as follows:

Plant and machinery	-	10% straight line
Fixtures, fittings and equipment	-	20% straight line
Motor vehicles	-	25% straight line
Short leasehold	-	10% straight line

Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

2. ACCOUNTING POLICIES - continued

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to the profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

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

Pension costs and other post-retirement benefits

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

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

2. ACCOUNTING POLICIES - continued

Financial instruments

The company has elected to apply the provisions of Section 11 "Basic Financial Instruments" and Section 12 "Other Financial Instruments" of FRS102 to all of its financial instruments.

Financial assets and liabilities are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets, which include trade, other receivables, staff loans and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitute a financing transaction, where the transaction is measure at the present value of the future receipts discounted at a market rate of interest.

Basic financial liabilities, which include trade and other payables are initially measured at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Other financial assets and / or liabilities, which include foreign exchange forward contracts are initially measured at their fair value, which is normally the transaction price and are subsequently carried at fair value with all changes being recognised in profit or loss.

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they expire.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements. The following are the company's key sources of estimation uncertainty:

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions in an arm's length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

3. TURNOVER

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

An analysis of turnover by geographical market is given below:

	31/12/19 £	31/12/18 £
United Kingdom	13,463,806	12,493,164
European Union	1,411,703	1,165,916
Other	<u>795</u>	<u>453</u>
	<u><u>14,876,304</u></u>	<u><u>13,659,533</u></u>

4. EMPLOYEES AND DIRECTORS

	31/12/19 £	31/12/18 £
Wages and salaries	1,432,445	1,379,952
Social security costs	149,547	141,419
Other pension costs	<u>166,664</u>	<u>146,828</u>
	<u><u>1,748,656</u></u>	<u><u>1,668,199</u></u>

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

	31/12/19	31/12/18
Sales	25	25
Distribution	9	9
Administration	<u>11</u>	<u>11</u>
	<u><u>45</u></u>	<u><u>45</u></u>

For details concerning staff loans please see note 14.

5. DIRECTORS' EMOLUMENTS

	2019 £	2018 £
Directors' remuneration	117,900	109,877
Directors' social security	17,527	16,830
Directors' pensions contributions to money purchase schemes	19,519	15,239
Other benefits	<u>19,280</u>	<u>18,900</u>
	<u><u>174,226</u></u>	<u><u>160,846</u></u>

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

Money purchase schemes	<u><u>1</u></u>	<u><u>1</u></u>
------------------------	-----------------	-----------------

Notes to the Financial Statements - continued
for the year ended 31 December 2019

6. OPERATING PROFIT

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

	31/12/19	31/12/18
	£	£
Hire of plant & machinery	2,847	2,149
Depreciation - owned assets	145,560	176,942
Amortisation of intangibles	29,147	-
Profit on disposal of fixed assets	(1,384)	(5,970)
Patents and licences amortisation	-	716
Auditor's remuneration	12,131	15,819
Foreign exchange losses / (gains)	(429)	4,114
Operating leases - Land and buildings	387,000	387,000
Operating leases - Other	<u>83,990</u>	<u>66,713</u>

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	31/12/19	31/12/18
	£	£
Other interest received	<u>43</u>	<u>26</u>

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	31/12/19	31/12/18
	£	£
Related party loan	<u>72,278</u>	<u>75,458</u>

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

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

	31/12/19	31/12/18
	£	£
Current tax:		
UK corporation tax	537,582	436,045
Deferred tax:		
Timing differences	<u>(1,350)</u>	<u>(9,093)</u>
Tax on profit	<u>536,232</u>	<u>426,952</u>

UK corporation tax has been charged at 19%.

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

9. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

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

	31/12/19 £	31/12/18 £
Profit before tax	<u>2,782,454</u>	<u>2,214,006</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	528,666	420,661
Effects of:		
Expenses not deductible for tax purposes	5,738	6,357
Depreciation in excess of capital allowances	1,828	-
Changes in tax rates	<u>-</u>	<u>(66)</u>
Total tax charge	<u>536,232</u>	<u>426,952</u>

10. DIVIDENDS

	31/12/19 £	31/12/18 £
Ordinary shares shares of £1 each		
Interim	<u>2,533,000</u>	<u>-</u>

11. INTANGIBLE FIXED ASSETS

	Patents and licences £	Software £	Totals £
COST			
At 1 January 2019	8,825	-	8,825
Additions	-	254,985	254,985
Reclassification	<u>-</u>	<u>262,203</u>	<u>262,203</u>
At 31 December 2019	<u>8,825</u>	<u>517,188</u>	<u>526,013</u>
AMORTISATION			
At 1 January 2019	8,825	-	8,825
Charge for year	-	29,147	29,147
Reclassification	<u>-</u>	<u>200,726</u>	<u>200,726</u>
At 31 December 2019	<u>8,825</u>	<u>229,873</u>	<u>238,698</u>
NET BOOK VALUE			
At 31 December 2019	<u>-</u>	<u>287,315</u>	<u>287,315</u>
At 31 December 2018	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2019

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2019	232,802	619,317	851,114
Additions	181,281	14,083	7,126
Disposals	-	-	(502)
Reclassification	-	-	(262,203)
At 31 December 2019	<u>414,083</u>	<u>633,400</u>	<u>595,535</u>
DEPRECIATION			
At 1 January 2019	72,915	331,418	671,210
Charge for year	28,312	60,358	47,805
Eliminated on disposal	-	-	(87)
Reclassification	-	-	(200,726)
At 31 December 2019	<u>101,227</u>	<u>391,776</u>	<u>518,202</u>
NET BOOK VALUE			
At 31 December 2019	<u>312,856</u>	<u>241,624</u>	<u>77,333</u>
At 31 December 2018	<u>159,887</u>	<u>287,899</u>	<u>179,904</u>

	Motor vehicles £	Machinery held for leasing £	Totals £
COST			
At 1 January 2019	170,154	50,051	1,923,438
Additions	21,661	-	224,151
Disposals	(149,234)	-	(149,736)
Reclassification	-	-	(262,203)
At 31 December 2019	<u>42,581</u>	<u>50,051</u>	<u>1,735,650</u>
DEPRECIATION			
At 1 January 2019	170,154	45,043	1,290,740
Charge for year	4,080	5,005	145,560
Eliminated on disposal	(149,234)	-	(149,321)
Reclassification	-	-	(200,726)
At 31 December 2019	<u>25,000</u>	<u>50,048</u>	<u>1,086,253</u>
NET BOOK VALUE			
At 31 December 2019	<u>17,581</u>	<u>3</u>	<u>649,397</u>
At 31 December 2018	<u>-</u>	<u>5,008</u>	<u>632,698</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2019

13. STOCKS

	31/12/19	31/12/18
	£	£
Finished goods	<u>1,463,118</u>	<u>2,239,845</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The amount of stock recognised as an expense in profit or loss during the year was £7,687,550 (2018: £7,105,942).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/19	31/12/18
	£	£
Trade debtors	884,325	1,040,650
Amounts owed by group undertakings	823,074	1,361,036
Other debtors	-	207,597
Staff loans	4,718	12,150
Directors' current accounts	2,584	790
Prepayments	<u>46,472</u>	<u>65,254</u>
	<u>1,761,173</u>	<u>2,687,477</u>

Amounts due from group undertakings are interest free and repayable on demand.

Other debtors includes £nil (2018: £202,742) in respect of an advance payment notice paid to HMRC in 2016.

For further details regarding the directors' current accounts please see note 22.

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31/12/19	31/12/18
	£	£
Trade creditors	842,639	845,533
Corporation tax payable	268,617	202,738
PAYE	47,249	49,885
VAT	100,915	45,810
Other creditors	6,955	10,300
Accrued expenses	<u>167,867</u>	<u>81,717</u>
	<u>1,434,242</u>	<u>1,235,983</u>

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31/12/19	31/12/18
	£	£
Amounts owed to group undertakings	<u>3,283,604</u>	<u>3,211,326</u>

Funds were received from the ultimate controlling party Orkla ASA. The amount owed is due for repayment on 15 January 2021. Interest is accrued on a monthly basis and the rate is determined every month by Orkla ASA as being equal to the six month interbank rate plus a margin of 1.00% and a risk mark-up. The amount owed is unsecured.

Notes to the Financial Statements - continued
for the year ended 31 December 2019

17. LEASING AGREEMENTS

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

	31/12/19	31/12/18
	£	£
Within one year	457,220	433,689
Between one and five years	1,597,844	1,547,577
In more than five years	<u>483,750</u>	<u>828,000</u>
	<u>2,538,814</u>	<u>2,809,266</u>

18. FINANCIAL ASSETS AND LIABILITIES

	2019	2018
	£	£
Carrying amount of financial assets		
Cash measured at amortised cost	5,143,182	3,761,757
Debtors measured at amortised cost	1,714,701	2,414,626
Other debtors : HMRC accelerated payment notice measured at amortised cost	<u>-</u>	<u>202,742</u>
	<u>6,857,883</u>	<u>6,379,125</u>
Carrying amount of financial liabilities		
Creditors measured at amortised cost	<u>4,133,198</u>	<u>4,067,159</u>
	<u>4,133,198</u>	<u>4,067,159</u>
Carrying amount of financial assets		
Forward contract measured at fair value through profit or loss	<u>-</u>	<u>4,855</u>
Carrying amount of financial liabilities		
Forward contract measured at fair value through profit or loss	<u>-</u>	<u>-</u>

The forward currency contracts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key assumptions used in valuing the derivatives are the forward exchange rates for GBP and the relevant foreign currencies.

19. PROVISIONS FOR LIABILITIES

	31/12/19	31/12/18
	£	£
Deferred tax	<u>792</u>	<u>2,142</u>
		Deferred tax
		£
Balance at 1 January 2019		2,142
Accelerated capital allowances		<u>(1,350)</u>
Balance at 31 December 2019		<u>792</u>

Notes to the Financial Statements - continued
for the year ended 31 December 2019

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	31/12/19	31/12/18
Number:	Class:		£	£
1,000	Ordinary shares	£1	<u>1,000</u>	<u>1,000</u>

Holders of ordinary shares are entitled to dividends as recommended from time to time by the directors and are entitled to one vote per share at meetings of the Company.

21. RESERVES

Capital redemption reserves of £115,400 is in relation to the companies purchase of its own shares.

22. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £166,664 (2018: £146,828). There were no amounts outstanding at the current period end (2018: £Nil).

23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 December 2019 and 31 December 2018:

	31/12/19 £	31/12/18 £
M Wodskou		
Balance outstanding at start of year	790	765
Amounts advanced	1,794	1,775
Amounts repaid	-	(1,750)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>2,584</u>	<u>790</u>

Interest was charged on the overdrawn loan accounts at the HMRC approved rate and is included in amounts advanced.

**Notes to the Financial Statements - continued
for the year ended 31 December 2019**

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemptions, available in section 33.1A and 1.12 (e) of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group and key management personnel compensation.

Wodskou Properties Ltd is a company in which M Wodskou is also a director and shareholder. Call Caterlink Ltd paid Wodskou Properties Ltd £387,000 (2018: £387,000) for rent of the premises. There was no balance due at the year end in respect of these transactions.

During the year Call Caterlink Ltd incurred fees for accountancy, taxation and director services of £22,751 (2018: £35,638) from Kelsall Steele Ltd, a company under the common directorship of B B Pooley. At the balance sheet date, included within creditors, is the amount that Call Caterlink Ltd owed of £Nil (2018: £Nil).

During the year Wodskou Properties Ltd, a company controlled by M Wodskou, sold leasehold improvements to the company for £181,281. M Wodskou initially paid Wodskou Property Ltd the full amount of the purchase price on behalf of the company and was subsequently reimbursed in full prior to the year end.

All transactions took place at an arm's length basis and on normal commercial terms.

25. POST BALANCE SHEET EVENTS

In order that the close working relationship between Call Caterlink Ltd and its sister subsidiary NIC Ice Ltd may be enhanced the trade and assets of Call Caterlink Ltd were transferred to NIC Ice Ltd on the 1st January 2020 at their book values.

As explained in note 2, COVID-19 has no impact on the value of the net assets transferred to Nic ICE Ltd on 1 January 2020 and therefore the value of the inter-company account arising from the transfer.

26. ULTIMATE CONTROLLING PARTY

The immediate parent company is NIC Enterprises Limited, a company incorporated in England, which holds 100% of the share capital of Call Caterlink Limited.

The ultimate parent company and controlling party is Orkla ASA, a company incorporated in Norway. The accounts are included within the consolidated accounts of Orkla ASA which are publicly available from Orkla ASA P.O.Box 423 Skoyen. N-0213 Oslo, Norway.