Carlton Greetings Limited

Report and Financial Statements

For the year from 1 March 2024 to 28 February 2025

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Company Information

Directors

C Stirland	
A J Smith	resigned 1 April 2024
A M Pooley	appointed 1 April 2024

Secretary
R Tyler

Auditors
Ernst & Young
Chartered Accountants & Statutory Auditor
Maritana Gate
Canada Street
Waterford
X91 H9XF
Republic of Ireland

Bankers
Barclays Bank Ireland PLC
1 Molesworth Street
Dublin 2
Republic Of Ireland

Registered office
Floor 3, Block 3
Miesian Plaza
Dublin 2
D02 Y754
Republic Of Ireland

Registered Company Number
682769

Directors' report

The directors present their report for the year from 1 March 2024 to 28 February 2025.

Principal activities

Carlton Greetings Limited ("CGL") is a wholly owned subsidiary of UK Greetings Limited ("UKG") based in the Republic of Ireland. CGL is engaged in the wholesale distribution of greetings cards and related products. CGL purchases products from UKG for onward sale to customers based in the Republic of Ireland. CGL does not make sales to customers in other territories.

Results and Dividend

The results for the year are given in the Statement of income and retained earnings account on page 11. The net profit after taxation amounted to €117,000 (2024: €144,000). The company did not pay a dividend during the current year or comparative period.

Key Performance Indicators (KPIs)

The company's key financial and other performance indicators during the year were as follows.

	Year ended Feb 2025	*Period ended Feb 2024*	*% Change Fav (adv)*
Turnover (€000)	7,923	8,040	(1.5%)
Gross Profit (%)	34.9%	34.8%	0.1%
Operating Profit as a % of turnover	1.7%	2.1%	(0.4%)
Return on capital employed – Operating Profit as a % of closing shareholders' funds	27.7%	45.2%	(17.5%)

Political and charitable contributions

The company made no political contributions during the year (2024: nil) and no charitable contributions during the year (2024: nil).

Future developments and outlook

The Directors are focused on delivering quality product together with strong levels of customer service to our retail partners, a combination which they have come to expect. This ethos is underpinned through the implementation of multiple strategies to mitigate inflationary cost pressures, some of which stem from the general market and others relating to exchange rate movements, in order to continue to improve the future profitability of the business.

The company sources a significant amount of product in GBP currency, and as a result is exposed to the uncertainty of currency fluctuations, particularly in the GBP/EUR currency pair. This is further discussed within the section below.

Principal risks and uncertainties

The company's operations expose it to a variety of competitive, legislative and financial risks that include credit risk, foreign exchange risk, liquidity and cash flow risk and inflation impact risk.

Counterparty exposure is an area of risk to the company in this difficult retail environment. However, we remain supportive of our retail partners whilst at the same time looking to mitigate our exposure by developing strong communication and robust credit control processes. There remains ongoing uncertainty around the retail landscape as the Irish consumers remain concerned about the ongoing cost of living challenges, with rising prices for everyday goods still affecting many households. While inflation in Ireland in 2025 slowed down significantly, the cost of living remains a major factor, the consumers are more value-conscious and price sensitive.

Foreign exchange risks

The company will buy currencies, where it considers it to be advantageous, to be used to settle short-term intercompany debt, but does not enter into foreign exchange hedging beyond these short-term arrangements.

Directors' report (continued)

We do however carefully monitor forecasts for exchange rates, both short and long term.

Liquidity and cash flow risks

The company monitors its cashflow on an ongoing basis and reviews the related cashflow forecast regularly. We also hold a strong relationship with our parent company and maintain an intra-group cash advance facility. However, no cash advances have been required in the period since the year-end, with working capital being solely managed through the company's existing cash reserves.

Inflation impact risks

We source our inventories from our parent company, UKG. As part of the wider American Greetings Corporation family, we continue to benefit from the corporation's global product procurement resources. Through group bulk order and also adopting our procurement strategy of sourcing all finished goods inventory from our immediate parent company, we manage to keep our costs competitive. In response to the significant cost increases within the global shipping sector, our immediate parent company, UKG, continues to follow a strategy of re-shoring product sourcing back into the United Kingdom.

<u>Key Principal Decisions</u>

During the course of the financial year, the directors in conjunction with the wider senior management team at CGL, implemented a number of key projects and decisions which were aligned with the strategic direction of the business. A number of these are outlined below:

- Environmental sustainability remains high on the company's agenda. The business is constantly reviewing the processes and practices throughout the wider supply chain, to establish improvements where environmental benefits can be achieved. During the year, the Directors of the immediate parent company, UK Greetings Ltd, collaborated with management to develop and implement a robust sustainability strategy that aligns with the company's purpose and long-term objectives. Through this ongoing sustainability strategy, the business continues to promote the recyclable products, commit to the zero to landfill operations and support a positive impact on 11 of the United Nation's Sustainable Development Goals.
- Given the supply chain and related foreign currency exchange risk, the directors at our immediate parent company, have made the decision to continue at pace to re-shore further product sourcing back into the United Kingdom. As we exclusively purchase our inventory from our immediate parent company, the Directors are fully supportive of this endeavour which also aligns with our sustainability strategy as highlighted above.
- The immediate parent company, UK Greetings Ltd, has committed to offset its entire annual paper consumption through World Land Trust's Carbon Balanced Paper programme. By offsetting the emissions of over 16,500 tonnes of paper, UK Greetings will ensure the protection and restoration of over 1,000 acres (650 football pitches) of threatened forest habitat in Vietnam, Mexico, Ecuador and Guatemala. As noted above, we purchase our inventory exclusively from our immediate parent company and the Directors are fully supportive of this decision and the wider strategy.
- Finally, the directors considered a multi-year strategic financial plan assessing the period out to February 2027 and concluded that the business continues to remain financially strong, with an expectation that a good level of profitability will be delivered for shareholders, and the wider stakeholder group.

Directors

The directors who served the company during the year and to the date of this report were as follows:

C Stirland	
A J Smith	resigned 1 April 2024
A M Pooley	appointed 1 April 2024

Directors' report (continued)

Directors' and Company Secretary's interests

The Directors and the Company Secretary did not have any direct or beneficial interest in the shares of CGL or other group companies at the beginning of the financial year, or at the date of appointment to the board if later, and end of the financial period.

Employee involvement

The Directors consider that the involvement of employees is important to the success of the company. It is the company's policy to keep all employees aware of financial and commercial matters as far as it is practicable.

Any disabled person who is in employment with the company shall, so far as is practical, receive the same opportunities for training and career development as other employees. The company's policy is to give full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities.

It is the Company's policy to treat all employees fairly and specifically to prohibit discrimination on the grounds of race, religion, sexual orientation, disability, nationality or ethnic origin.

Going Concern

Despite the current uncertain economic outlook, CGL has built a solid business base through long term contracts with its customers, driven by product leadership and a strong focus on customer service and delivery. A cashflow forecast has been prepared for the period to 28 February 2027, indicating continued profitability, to enable the Directors to conclude on their going concern assessment.

Cash reserves are anticipated to remain at satisfactory levels through the period to 28 February 2027, and there is no anticipation that funding from elsewhere within the wider group will be necessary to maintain the ongoing working capital requirements of the business. No cash advances have been required in the period since the year-end, with working capital being solely managed through the company's existing cash reserves.

The business itself does not have credit/overdraft facilities in place, instead these are coordinated at the parent company. However, no requirement for intra-group cash advances has arisen since the year-end, and with cash reserves continuing to improve, the need for such cash advances is not anticipated in the period to 28 February 2027.

The Company's statement of financial position remains strong with net current assets of €491,000, including cash of €366,000 as at 28 February 2025.

The Company does not have external borrowing facilities but works within the group facilities provided by its parent company, UKG. A parent support letter is provided by UKG, and UKG will assist CGL in meeting liabilities as and when they fall due, but only to the extent that money is not otherwise available to CGL to meet such liabilities until 28 February 2027.

Based on the above analysis, the Directors have a reasonable expectation that the Company has adequate resources to continue for a period from the date of approval of the financial statements until 28 February 2027. Thus, we continue to adopt the going concern basis in preparing the financial statements.

Events after the reporting date

No matter or circumstance has arisen since 28 February 2025 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years. Our assessment included consideration of the impact of the international trade tariffs and the impact of general inflation.

Directors' report (continued)

Statement of provision of information to Auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors, all directors have taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Independent Auditors

Ernst & Young Chartered Accountants and Statutory Auditor were re-appointed auditors and will continue in office in accordance with section 383(2) of the Companies Act 2014.

On behalf of the Board

C Stirland
Director

14 October 2025

A M Pooley
Director

14 October 2025

Statement of directors' responsibility

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

Irish 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 accounting standards issued by the Financial Reporting Council, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland). 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 assets, liabilities and financial position, of the company as at the end of the financial year, and the profit or loss for the company for the financial year, and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. 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.

On behalf of the Board

C Stirland
Director

14 October 2025

A M Pooley
Director

14 October 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARLTON GREETINGS LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Carlton Greetings Limited ('the Company') for the year ended 28 February 2025, which comprise the Statement of Income and Retained Earnings, Statement of Financial Position, Statement of Changes in Equity and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 28 February 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

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with confidence

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based solely on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year ended for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, other than those parts relating to sustainability reporting where required by Part 28 of the Companies Act 2014, has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on 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 directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures required by sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

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INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF CARLTON GREETINGS LIMITED (Continued)

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors’ responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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 IAASA's website at: https://iaasa.ie/wp-content/uploads/docs/media/IAASA/Documents/audit-standards/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company’s members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company’s members those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company’s members, as a body, for our audit work, for this report, or for the opinions we have formed.

Brian Devereux
for and on behalf of
Ernst & Young Chartered Accountants and Statutory Audit Firm

Waterford

Date: 15 October 2025

Statement of Income and Retained Earnings

For the year ended 28 February 2025

	Note	2025 €000	2024 €000
Turnover	2	7,923	8,040
Cost of sales		(5,155)	(5,240)
Gross profit		2,768	2,800
Distribution costs		(288)	(302)
Administrative expenses		(2,332)	(2,329)
Other operating expenses		(12)	-
Operating profit	3	136	169
Profit on ordinary activities before taxation		136	169
Tax on profit on ordinary activities	5	(19)	(25)
Profit for the financial year		117	144
Retained profits at 1 March		374	230
Retained profits at 28 / 29 February		491	374

All results relate to continuing operations.

Statement of Financial Position

As at 28 February 2025

	Note	2025 €000	2024 €000
Current assets			
Inventories	6	29	27
Debtors – amounts falling due within one year	7	2,438	2,632
Cash at bank and in hand		366	233
		2,833	2,892
Creditors: amounts falling due within one year	8	2,342	2,518
Net current assets		491	374
Total assets less current liabilities		491	374
Net assets		491	374
Capital and reserves			
Called up share capital	11	-	-
Profit and loss account		491	374
Shareholders' funds		491	374

Approved by the Board

C Stirland
Director

14 October 2025

A M Pooley
Director

14 October 2025

Statement of Changes in Equity

As at 28 February 2025

	Share capital €000	*Profit and loss account €000*	*Share-holders' funds €000*
At 28 February 2023	-	230	230
Profit for the period	-	144	144
At 29 February 2024	-	374	374
Profit for the year	-	117	117
At 28 February 2025	-	491	491

The profit for the financial year was €117,000.

Notes to the financial statements

at 28 February 2025

1. Accounting policies

(a) General Information

Carlton Greetings Limited ("CGL") is a wholly owned subsidiary of UK Greetings Limited ("UKG"), based in the Republic of Ireland ("ROI"). From 1 March 2021, CGL has been engaged in the wholesale distribution of greetings cards and related products. CGL purchases products from UKG for onward sale to customers based in ROI.

(b) Statement of compliance

CGL is a limited liability company incorporated on 24 November 2020 in the Republic of Ireland. The Registered Office is Floor 3, Block 3 Miesian Plaza, Dublin 2, D02 Y754. The financial statements have been prepared in accordance with applicable accounting standards issued by the Financial Reporting Council, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally Accepted Accounting Practice in Ireland). As being a qualifying entity, CGL is exempted from preparation of Statement of Cash flow under 'The requirements of Section 7 Statement of Cash Flows and Section 3 Financial Statement Presentation paragraph 3.17(d)'

(c) Basis of preparation

The financial statements have been prepared on the historic cost convention. The financial statements are presented in Euro (€) which is the functional currency and rounded to the nearest €'000.

(d) Going Concern

Despite the current uncertain economic outlook, CGL has built a solid business base through long term contracts with its customers, driven by product leadership and a strong focus on customer service and delivery. A cashflow forecast has been prepared for the period to 28 February 2027, indicating continued profitability, to enable the Directors to conclude on their going concern assessment.

Cash reserves are anticipated to remain at satisfactory levels through the period to 28 February 2027, and there is no anticipation that funding from elsewhere within the wider group will be necessary to maintain the ongoing working capital requirements of the business. No cash advances have been required in the period since the year-end, with working capital being solely managed through the company's existing cash reserves.

The business itself does not have credit/overdraft facilities in place, instead these are coordinated at the parent company. However, no requirement for intra-group cash advances has arisen since the year-end, and with cash reserves continuing to improve, the need for such cash advances is not anticipated in the period to 28 February 2027.

CGL's statement of financial position remains strong with net current assets of €491,000, including cash of €366,000 as at 29 February 2025.

CGL does not have external borrowing facilities but works within the group facilities provided by its parent company, UKG. A parent support letter is provided by UKG, and UKG will assist CGL in meeting liabilities as and when they fall due, but only to the extent that money is not otherwise available to CGL to meet such liabilities until 28 February 2027.

Based on the above analysis, the Directors have a reasonable expectation that CGL has adequate resources to continue for a period from the date of approval of the financial statements until 28 February 2027. Thus, we continue to adopt the going concern basis in preparing the financial statements.

(e) Revenue recognition

Sale of goods

Revenue from the sale of goods is recognised when the control of the goods has been passed to the buyer, usually on dispatch of the goods.

Notes to the financial statements

at 28 February 2025

1. Accounting policies (continued)

Rendering of services
Revenue generated from the rendering of services is recognised when the service has been considered as rendered, and this is recognised within Turnover.

Commissions
Agent commissions are recognised on an accruals basis. Commissions are recognised within Turnover.

Royalty income
Third party royalty income is recognised on a cash basis. Royalties are recognised within Turnover.

(f) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition, as follows:

Finished goods	–	cost of direct materials and labour plus attributable overheads based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

(g) Taxation

The Company is subject to income taxes in the Republic of Ireland. In determining the income tax liabilities, management is required to estimate the amount of provisions and the deductibility of certain expenses. This assessment relies on estimates and assumptions and may involve a series of judgments about future events and consideration of many factors, including interpretations of tax law and prior experience.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position 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, with the following exceptions:

- Provision is made for deferred tax that would arise on remittance of the retained earnings of subsidiaries, associates and joint ventures only to the extent that, at the statement of financial position date, dividends have been accrued as receivable.
- 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 Statement of Financial Position date.

(h) Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the Statement of Financial Position date. All differences are taken to the Statement of Income.

(i) Cash and Cash equivalents

Cash and cash equivalents include all cash balances and short-term highly liquid investments that are directly convertible into cash. Cash and cash equivalents are measured at fair value.

(j) Operating lease agreements

Rentals payable under operating leases are charged in the Statement of Income on a straight-line basis over the lease term.

(k) Pension and other post-retirement benefits

The company operates a defined contribution pension scheme. The assets for this scheme are held separately from those of the company in independently administered funds.

Notes to the financial statements

at 28 February 2025

1. Accounting policies (continued)

Contributions are charged to the Statement of Income as they become payable in accordance with the rules of the scheme.

The company also provides certain employees with death in service and incapacity benefits. These schemes are covered by an insurance policy and the premiums payable are charged to the Statement of Income in the period to which the premiums relate.

(l) Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

(m) Critical Accounting Judgements and key Sources of Estimation Uncertainty

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affects the amounts reported for assets and liabilities as at the reporting 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.

(n) Related Party Transactions

Disclosure need not be given of transactions within the year to related parties which were all members of and wholly owned by American Greetings Corporation.

(o) Trade and other Debtors

Trade and other debtors are stated at their original invoiced value (discounted if material) and reduced by appropriate allowances for estimated irrecoverable amounts. Impaired debts are derecognised when they are assessed as uncollectible. Intercompany trade debtors are non-interest bearing, unsecured, are repayable within commercial terms and are measured at amortised cost.

(p) Trade and Other Creditors

Trade and other creditors are not interest bearing and are stated at their nominal value. Intercompany loans are interest bearing, unsecured and are repayable on demand.

2. Turnover

The classes of revenue streams and a geographical analysis of turnover is not disclosed as, in the opinion of the directors, the disclosures of any information required would be seriously prejudicial to the interests of the Company. All turnover is related to the principal activities of the Company or in its capacity as agent to an arrangement.

Turnover represents the amounts derived from the provision of goods which fall within the company's ordinary activities, stated net of value added tax. Turnover and pre-tax profit are attributable to the manufacture, distribution and sale of greeting cards and ancillary products.

3. Operating Profit

This is stated after charging:

		2025	*2024*
		€000	*€000*
(Gain)/Loss on foreign exchange		(20)	15
Operating lease rentals	– land and buildings	3	2
	– other	60	61
Auditors' remuneration	– audit services	20	26

Notes to the financial statements

at 28 February 2025

4. Staff costs

	2025 €000	2024 €000
Wages and salaries	1,409	1,345
Severance payments	-	3
Social security costs	135	144
Staff pension contributions	18	20
	1,562	1,512

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

	2025 No.	2024 No.
Administration	1	-
Sales Management	4	7
Part time merchandisers	97	89
	102	96

The Directors provided qualifying services to other Group companies, and their remuneration is paid and disclosed in the financial statements of UK Greetings Limited, the immediate parent undertaking of the Company.

5. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2025 €000	2024 €000
Current tax:		
Corporation tax at 12.5%	20	24
Total current tax	20	24
Deferred tax:		
Deferred taxation charge for year	(1)	1
Tax on profit on ordinary activities	19	25

Notes to the financial statements

at 28 February 2025

5. Tax (continued)

(b) Factors affecting tax charge for the year

	2025	*2024*
	€000	*€000*
Profit on ordinary activities before tax	136	169
Profit on ordinary activities multiplied by standard rate of corporation tax of 12.5%	17	21
Effects of:		
Disallowed expenditure – other	2	4
Total tax for the year (note 5(a))	19	25

In line with government guidance, deferred tax has been recognised at rate of 12.5% for the year.

(c) Deferred tax

	2025	*2024*
	€000	*€000*
At the beginning of the year/period	(7)	(8)
(Credit) / Debit to the income statement in the year/period	(1)	1
At year end / period end	(8)	(7)

The deferred tax asset is analysed as follows. There is no deferred taxation which has not been recognised.

	2025	*2024*
	€000	*€000*
General bad debt provision	(8)	(7)
Deferred tax (asset) (note 7)	(8)	(7)

6. Inventories

	2025	*2024*
	€000	*€000*
Finished goods	29	27
	29	27

Nil impairment loss (2024: €7,000) was recognized in cost of sales against inventories during the year due to slow moving and obsolete inventories.

Notes to the financial statements

at 28 February 2025

7. Debtors

	2025	2024
	€000	€000
Amounts falling due within one year:		
Trade debtors	2,424	2,616
Deferred tax asset (note 5)	8	7
Corporation tax	3	-
Prepayment and accrued income	3	9
	2,438	2,632

8. Creditors: amounts falling due within one year

	2025	2024
	€000	€000
Trade creditors	33	35
Amount owed to immediate parent undertaking (Unsecured, repayable on demand, not interest bearing)	1,691	1,873
VAT payable	344	354
Employee expenses and commissions payable	113	118
Pay Related Social Insurance payable	28	24
Other Payroll Taxes and Universal Social Charge	28	12
Pension contributions payable	6	5
Corporation tax	-	7
Other creditors	48	63
Accruals	51	27
	2,342	2,518

9. Pensions and other post-retirement benefits

The Company currently contributes into the Carlton Greetings Pension Scheme, a defined contribution pension scheme into which all employees are entitled to join. The assets of the scheme are held separately from those of the company in independently administered funds. The unpaid contributions outstanding at the year-end, included in accruals, are €3,033 (2024: €2,856).

10. Commitments under operating leases

The company had future minimum commitments under non-cancellable operating leases as set out below:

	2025	2024
	€000	€000
Operating leases payments:		
Within one year	58	60
In two to five years	88	52
	146	112

Notes to the financial statements

at 28 February 2025

11. Issued share capital

		2025		2024
Allotted, called up and fully paid	*No.*	*€*	*No.*	*€*
Ordinary shares of €1 each	1	1	1	1

The authorised share capital of the company is 1,000,000 ordinary shares.

12. Events after the reporting date

No matter or circumstance has arisen since 28 February 2025 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

13. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of UK Greetings Ltd, which is registered in the United Kingdom and has a registered office address: Mill Street East, Dewsbury, West Yorkshire, WF12 9AW. The company's parent undertaking prepares consolidated financial statements which are publicly available and can be obtained from the registered office. Greetings Holding Partnership GP LLC. which is a limited liability company registered in the U.S.A, is the company's ultimate parent and controlling party.