

**HERBERT RETAIL LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2021**

**HERBERT RETAIL LIMITED**

**COMPANY INFORMATION**

**DIRECTORS**

C Herbert  
R Herbert (appointed 21 October 2021)  
M Channen  
G Welch  
M Gould

**REGISTERED NUMBER**

00103897

**REGISTERED OFFICE**

18 Rookwood Way  
Haverhill  
Suffolk  
CB9 8PD

**INDEPENDENT AUDITORS**

Price Bailey LLP  
Chartered Accountants & Statutory Auditors  
Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ

**HERBERT RETAIL LIMITED**

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## HERBERT RETAIL LIMITED

### STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

#### INTRODUCTION

The directors present their strategic review of the company for the year ended 31 March 2021.

During the year the Company's principal activities continued to be that of selling and servicing weighing, data capture and labelling solutions together with associated equipment.

#### BUSINESS REVIEW

The directors report that the Company has reported an Operating Loss of £1,438,026 for the year to 31st March 2021. The Covid period has been difficult for the company, with customers not only stalling technology projects, but also taking structural decisions about their operations which will have a long-term impact on revenue. Nevertheless, the company has seen significant improvements in trading in the 2021/2022 financial year, and new products such as Electronic Shelf Labels are taking off in earnest – customers are able to see the clear ROI these products offer and we have established ourselves as the leading implementer of Electronic Shelf Labels in Grocery Retail in the UK.

Whilst the company was able to successfully use its working capital balances at March 2020 to generate the required cashflows for the year to March 2021, and in fact cash balances increased over the period to March 21, it was necessary to secure further financing in the 2021/2022 financial year. In December 2021, HRL secured invoice discounting finance. This will provide us with sufficient working capital to support trading in the medium term. The Company's financial position continues to be encumbered by the legacy of pension commitments made many years ago but there is a plan agreed with the Trustees to fund our liabilities over a reasonable period of time.

Overall the directors continue to focus upon delivering excellent products and services to our customers. We believe our positioning as a Retail Technology Integrator and a Nationwide Service Provider is good. We continue to be attractive to innovative manufacturers as a sales channel because of our ability to provide an end-to-end solution, and our customers continue to appreciate our ability to listen and respond to their needs.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The Company uses various financial instruments. These include items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations.

The existence of these financial instruments exposes the Company to a number of financial risks, primarily interest rate risk and credit risk.

The Company finances its operations through a mixture of retained profits, bank borrowings and finance leases. The Company's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities.

The principal credit risk arises from its trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history.

**HERBERT RETAIL LIMITED**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**FINANCIAL KEY PERFORMANCE INDICATORS**

The Board monitors the Company's performance in a number of ways including key performance indicators. The key financial performance indicators together with the information for 2021 and 2020 are as follows:

Profit/(Loss) Before tax as a percentage of turnover -19% (2020 - 1.5%).

Trade debtor days of 63 days (2020 - 99 days)

Acid Ratio of 2.8 (2020 - 1.6)

Financial performance is reviewed monthly, with expectations for the financial year updated accordingly. This year net losses were £1,438 thousand (2020: £174 thousand profit). The Company also uses certain non-financial indicators, the most significant of which is the number of employees.

This report was approved by the board and signed on its behalf.

**C Herbert**

Director

Date: 31 March 2022

## HERBERT RETAIL LIMITED

### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report and the financial statements for the year ended 31 March 2021.

#### PRINCIPAL ACTIVITY

The principal activity of the company continued to be that of the supply and service of weighing and labeling equipment.

#### DIRECTORS

The directors who served during the year were:

C Herbert  
M Channen  
G Welch  
M Gould

#### RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £1,438 thousand (2020 - profit £174 thousand).

During the year no dividend (2020 - £Nil) was paid. The directors do not recommend payment of a final dividend.

#### FUTURE DEVELOPMENTS

The directors believe that there are no future developments which should be reported.

#### ENGAGEMENT WITH EMPLOYEES

The Company keeps employees informed of matters affecting them as employees and the financial economic factors affecting the performance of the Company by the method of ad-hoc internal communications.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of 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 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' Reports may differ from legislation in other jurisdictions.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**POST BALANCE SHEET EVENTS**

In December 2021 the company secured additional financing through a debt purchase agreement with Close Invoice Finance Limited. The aim is to provide the company with sufficient working capital to support trading in the medium term.

**HERBERT RETAIL LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2021**

**AUDITORS**

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.

C Herbert  
**Managing Director**

Date: 31 March 2022



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERBERT RETAIL LIMITED**

**OPINION**

We have audited the financial statements of Herbert Retail Limited (the 'Company') for the year ended 31 March 2021, which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**BASIS FOR OPINION**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

**MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

We draw attention to note 2.2 in the financial statements, which describes the directors' assessment of the current and future effects of the Covid-19 pandemic on the Company. As stated in note 2.2, since the pandemic started the Company's trading has been affected due to the restrictions imposed by the UK Government resulting in a delay in cash flows and reduced trading. Mitigating action has been taken with a debt purchase agreement post year end to ease cash flow concerns. However the effects of Covid-19 are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. Our opinion is not modified in respect of this matter but it does cast significant doubt on the company's ability to continue as a 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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERBERT RETAIL LIMITED (CONTINUED)**

**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 contained within the Annual Report. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of 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 Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERBERT RETAIL LIMITED (CONTINUED)

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

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

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in

which it operates and considered the risk of material misstatement in respect of irregularities, including fraud and

non-compliance with laws and regulations. This included those regulations directly related to the financial

statements, including financial reporting, tax legislation and distributable profits and industry regulations including

GDPR, employment law and health and safety.

We communicated the identified laws and regulations with the audit team and remained alert to any indications

of non-compliance throughout the audit. We carried out specific procedures to address the risks identified.

These included the following:

- agreeing the financial statement disclosures to underlying supporting documentation to assess

compliance with provisions of relevant laws and regulations described as having a direct effect on the

financial statements;

- enquiries of management including those responsible for key regulations; and

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate

risks of material misstatement due to fraud;

In addressing the risk of management override of controls, we carried out testing of journal entries and other

adjustments for appropriateness, assessing whether the judgements made in making accounting estimates are

indicative of a potential bias and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including

those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk

increases the more that compliance with a law or regulation is removed from the events and transactions

reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HERBERT RETAIL LIMITED (CONTINUED)

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 Auditors' 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.

Paul Cullen FCCA (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Tennyson House  
Cambridge Business Park  
Cambridge  
CB4 0WZ

31 March 2022

HERBERT RETAIL LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	2020 £000
Turnover	4	7,498	12,018
Cost of sales		(7,414)	(9,999)
<b>GROSS PROFIT</b>		<u>84</u>	<u>2,019</u>
Distribution costs		(950)	(975)
Administrative expenses		(661)	(685)
Other operating income		275	-
<b>OPERATING (LOSS)/PROFIT</b>	6	<u>(1,252)</u>	<u>359</u>
Interest payable and similar expenses	10	(171)	(182)
<b>(LOSS)/PROFIT BEFORE TAX</b>		<u>(1,423)</u>	<u>177</u>
Tax on (loss)/profit	11	(15)	(3)
<b>(LOSS)/PROFIT FOR THE FINANCIAL YEAR</b>		<u><u>(1,438)</u></u>	<u><u>174</u></u>

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £000	2020 £000
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(1,438)</u>	<u>174</u>
<b>OTHER COMPREHENSIVE INCOME</b>			
Actuarial loss on defined benefit schemes		(214)	(23)
Movement on deferred tax relating to pension gains		41	4
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>(173)</u>	<u>(19)</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u><u>(1,611)</u></u>	<u><u>155</u></u>

The notes on pages 13 to 33 form part of these financial statements.

**HERBERT RETAIL LIMITED**  
**REGISTERED NUMBER: 00103897**

**BALANCE SHEET**  
**AS AT 31 MARCH 2021**

	Note	2021 £000	2020 £000
<b>FIXED ASSETS</b>			
Tangible assets	12	104	151
		<u>104</u>	<u>151</u>
<b>CURRENT ASSETS</b>			
Stocks	13	1,368	2,948
Debtors: amounts falling due after more than one year	14	1,402	1,376
Debtors: amounts falling due within one year	14	1,951	4,323
Cash at bank and in hand	15	2,282	1,912
		<u>7,003</u>	<u>10,559</u>
Creditors: amounts falling due within one year	16	(1,921)	(3,979)
		<u>5,082</u>	<u>6,580</u>
<b>NET CURRENT ASSETS</b>			
		<u>5,186</u>	<u>6,731</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
<b>PROVISIONS FOR LIABILITIES</b>			
Other provisions	19	-	(70)
Pension liability		(7,379)	(7,243)
		<u>(2,193)</u>	<u>(582)</u>
<b>NET LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Called up share capital	20	100	100
Share premium account	21	98	98
Capital redemption reserve	21	400	400
Profit and loss account	21	(2,791)	(1,180)
		<u>(2,193)</u>	<u>(582)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 31 March 2022.

**C Herbert**  
Director

The notes on pages 13 to 33 form part of these financial statements.

HERBERT RETAIL LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021

	Called up share capital £000	Share premium account £000	Capital redemption reserve £000	Profit and loss account £000	Total equity £000
<b>At 1 April 2019</b>	100	98	400	(1,335)	(737)
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	174	174
Actuarial losses on pension scheme	-	-	-	(19)	(19)
<b>Total comprehensive income for the year</b>	-	-	-	155	155
<b>At 1 April 2020</b>	100	98	400	(1,180)	(582)
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(1,438)	(1,438)
Actuarial losses on pension scheme	-	-	-	(173)	(173)
<b>Total comprehensive income for the year</b>	-	-	-	(1,611)	(1,611)
<b>At 31 March 2021</b>	100	98	400	(2,791)	(2,193)

# HERBERT RETAIL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

### 1. GENERAL INFORMATION

Herbert Retail Limited is a private company limited by shares incorporated in England and Wales, United Kingdom. The address of the registered office is 18 Rookwood Way, Haverhill, Suffolk, CB9 8PD. The principal activity of the company continued to be that of the supply and service of weighing and labeling equipment.

### 2. ACCOUNTING POLICIES

#### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The accounts are presented to the nearest thousand.

The following principal accounting policies have been applied:



## HERBERT RETAIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.2 GOING CONCERN

In light of the Covid-19 pandemic the directors have considered whether any adjustments are required to reported amounts in the financial statements.

With the Covid-19 restrictions which were in place, this resulted in large portions of the market being either completely closed or operating with restrictions. The Company was able to mitigate the effects of this through the composite group bank facility over which cross guarantees are provided by the company (see note 16). Post year end the company has entered into a debt purchase agreement which has replaced the group bank facility as a means of easing cash flow concerns.

The market is not back to similar operating levels to those seen before the Covid-19 pandemic, however the market is in the process of bouncing back which has seen the introduction of new business in the 2021 financial year which sees continued revenue generated into the 2022 financial year.

The directors prepare financial budgets on an annual basis and monitor predicted financial performance and cash flow on a rolling monthly basis. The Company's forecasts and projections show that the Company will be able to operate within the level of its current facility. The directors are seeking to organise additional bank borrowing as the full impact of Covid-19 is unknown in a currently volatile market.

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of approval of these financial statements, and therefore continue to adopt the going concern basis of accounting in preparing the annual financial statements.

In reaching the going concern conclusion the directors have considered the impact of Covid-19 on the financials and future cash flows. The company and group have utilised government reliefs available such as the furlough scheme. The group has also benefited from key worker status, meaning that whilst adjustments have been made to working environment, work flow has remained relatively consistent across the period since the year end.

#### **Key sources of estimation uncertainty:**

The key assumptions about the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities and conclude to be a material uncertainty exists that may cast doubt on the company's ability to continue as a going concern are detailed below.

#### **Current contracts**

As mentioned above, the market is not back to similar operating levels to those seen before the Covid-19 pandemic. The continued contracts which are in place pre year end and those which have commenced post year end are imperative to the companies survival. Any contracts which have the potential to be scaled back or not occur as factored into the budgets, could result in a negative effect on the companies cash flow due to reduced trading and unprecedented levels of uncertainty due to the restrictions which were imposed by the UK Government.

#### **Current economic climate**

As restrictions have been lifted related to the Covid-19 pandemic and normality resumes, we have seen large inflation increases across many essentially business expenditure. There has also been a national insurance inflationary increase which will be evident in the next financial years wages and salaries. Management are positive that additional turnover will be generated to outweigh the inflationary increases but these will all have a negative effect on the companies cashflow.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. ACCOUNTING POLICIES (CONTINUED)****2.2 GOING CONCERN (continued)****Invoice financing**

As mentioned in the auditors report and the post balance sheet events disclosure (note 26), the company has signed a debt purchase agreement with Close Brothers. The uncertainty surrounding the economic climate and the increased contract turnover has resulted in additional finance being needed to support the negative effects of the Covid-19 pandemic. Throughout the term of the agreement funds will have to be repaid on any amounts which are drawn down during the financial year resulting in additional costs being incurred, further increasing the companies expenditure.

**2.3 TURNOVER**

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Turnover from the sale of goods is recognised when significant risks and benefits of ownership of the product are transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Turnover from services provided by the company is recognised when the company has performed its obligations and in exchange obtained the right to consideration.

**2.4 TANGIBLE FIXED ASSETS**

Tangible fixed assets under the cost model 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.

Depreciation is charged so as 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 basis:

Plant and machinery	-
	3 - 5 years

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 profit or loss.

**2.5 CASH FLOW EXEMPTION**

The company, being a subsidiary undertaking whose parent company prepares consolidated financial statements which are publicly available, is exempt from the requirement to draw up a cash flow statement.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.6 STOCKS**

Stocks 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.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

The valuation does not include the costs of direct labour and production overheads incurred during the assembly activities or testing of bought in units. The cost of these, or effects of any increase or reduction over the year on profit and of the movement on the stock valuation in the balance sheet is considered immaterial.

**2.7 DEBTORS**

Short term debtors are measured at transaction price, less any impairment

**2.8 CASH AND CASH EQUIVALENTS**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.9 FINANCIAL INSTRUMENTS**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

**2.10 CREDITORS**

Short term creditors are measured at the transaction price.

**2.11 GOVERNMENT GRANTS**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Profit and Loss Account in the same period as the related expenditure.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES (CONTINUED)

2.12 FOREIGN CURRENCY TRANSLATION

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.13 FINANCE COSTS

Finance costs are charged to profit or 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.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.14 PENSIONS**

**Defined contribution pension plan**

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

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

**Defined benefit pension plan**

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

**2.15 HOLIDAY PAY ACCRUAL**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

**2. ACCOUNTING POLICIES (CONTINUED)**

**2.16 INTEREST INCOME**

Interest income is recognised in profit or loss using the effective interest method.

**2.17 BORROWING COSTS**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.18 CORPORATION AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**2.19 GUARANTEE PROVISION**

Provision is made for the cost of work to be done under guarantee in respect of machines and equipment sold in the year. This provision is calculated by reference to the estimate of labour costs and materials based upon the average number of call-outs per machine, according to past experience shown by the service records.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

3.

**JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately may differ from those estimates.

**Critical judgements****Guarantee provision**

Provisions are recognised when the Company has a legal or constructive present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

When calculating the provision the directors consider the previous history of claims under such guarantees, the length of the guarantee period and the costs involved, and apply these to the goods still covered under guarantee at the year end.

**Other estimates and judgements**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustments in the year ending 31 March 2021 are included in the following notes:

- Measurement of defined benefit obligations (note 22).

4. **TURNOVER**

An analysis of turnover by class of business is as follows:

	2021 £000	2020 £000
Sales of equipment and services	<u>7,498</u>	<u>12,018</u>

Analysis of turnover by country of destination:

	2021 £000	2020 £000
United Kingdom	7,242	11,745
Rest of Europe	256	273
	<u>7,498</u>	<u>12,018</u>

5. **OTHER OPERATING INCOME**

	2021 £000	2020 £000
Coronavirus Job Retention Scheme	<u>275</u>	<u>-</u>



HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

6. OPERATING (LOSS)/PROFIT

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

	2021 £000	2020 £000
Exchange differences	<u>33</u>	<u>(22)</u>

7. AUDITORS' REMUNERATION

	2021 £000	2020 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	<u>20</u>	<u>19</u>

8. EMPLOYEES

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

	2021 £000	2020 £000
Wages and salaries	3,126	2,897
Social security costs	417	412
Cost of defined contribution scheme	168	159
	<u>3,711</u>	<u>3,468</u>

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

	2021 No.	2020 No.
Production and services	76	84
Sales and administration	40	37
	<u>116</u>	<u>121</u>

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

9. DIRECTORS' REMUNERATION

	2021 £000	2020 £000
Directors' emoluments	348	365
Company contributions to defined contribution pension schemes	19	19
	<u>367</u>	<u>384</u>

During the year retirement benefits were accruing to 4 directors (2020 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £104 thousand (2020 - £103 thousand).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £5 thousand (2020 - £5 thousand).

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021 £000	2020 £000
Bank interest payable	-	10
Defined benefit pension scheme interest charge	171	172
	<u>171</u>	<u>182</u>

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

11. TAXATION

	2021 £000	2020 £000
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	-	(8)
Deferred tax movements from pension liability	15	11
<b>TOTAL DEFERRED TAX</b>	<u>15</u>	<u>3</u>
<b>TAXATION ON PROFIT ON ORDINARY ACTIVITIES</b>	<u>15</u>	<u>3</u>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is the same as (2020 - the same as) the standard rate of corporation tax in the UK of 19% (2020 - 19%) as set out below:

	2021 £000	2020 £000
(Loss)/profit on ordinary activities before tax	<u>(1,423)</u>	<u>177</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(270)	34
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(20)	(10)
Capital allowances for year in excess of depreciation	4	(5)
Tax losses (utilised) / carried forward	286	(19)
Deferred tax movement	15	3
<b>TOTAL TAX CHARGE FOR THE YEAR</b>	<u>15</u>	<u>3</u>

**FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

Included within deferred tax is £15 thousand (2020: £11 thousand) relating to deferred tax movement on pension liability.

The company has £1,510 thousand tax losses to carry forward (2020 - £Nil) to use against future trading profits.

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

12. TANGIBLE FIXED ASSETS

	Plant and machinery £000
<b>COST</b>	
At 1 April 2020	2,124
Additions	38
At 31 March 2021	<u>2,162</u>
<b>Depreciation</b>	
At 1 April 2020	1,972
Charge for the year on owned assets	86
At 31 March 2021	<u>2,058</u>
<b>Net book value</b>	
At 31 March 2021	<u>104</u>
<b>At 31 March 2020</b>	<u>151</u>

13. STOCKS

	2021 £000	2020 £000
Raw materials and consumables	<u>1,368</u>	<u>2,948</u>

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

14. DEBTORS

	2021 £000	2020 £000
<b>DUE AFTER MORE THAN ONE YEAR</b>		
Deferred tax asset	<u>1,402</u>	<u>1,376</u>
	2021 £000	2020 £000
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	1,297	3,246
Amounts owed by group undertakings	448	415
Other debtors	28	28
Prepayments and accrued income	164	621
Deferred taxation	14	13
	<u>1,951</u>	<u>4,323</u>

15. CASH AND CASH EQUIVALENTS

	2021 £000	2020 £000
Cash at bank and in hand	2,282	1,912
Less: bank overdrafts	(2)	-
	<u>2,280</u>	<u>1,912</u>

16. CREDITORS: Amounts falling due within one year

	2021 £000	2020 £000
Bank overdrafts	2	-
Trade creditors	500	1,017
Amounts owed to group undertakings	208	555
Other taxation and social security	810	603
Other creditors	103	116
Accruals and deferred income	298	1,688
	<u>1,921</u>	<u>3,979</u>

The bank facility is secured by a floating fixed charge and debenture issued by the company, other group undertakings and its parent company under an unlimited multilateral cross guarantee. This is secured over all assets of the company including present and future property and book and other debtors.

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

17. FINANCIAL INSTRUMENTS

	2021 £000	2020 £000
<b>FINANCIAL ASSETS</b>		
Financial assets measured at fair value through profit or loss	2,282	1,912
Financial assets that are debt instruments measured at amortised cost	1,838	3,857
	<u>4,120</u>	<u>5,769</u>
<b>FINANCIAL LIABILITIES</b>		
Financial liabilities measured at amortised cost	<u>(947)</u>	<u>(2,391)</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors, amounts owed by group undertakings, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors and accruals.

18. DEFERRED TAXATION

	2021 £000	2020 £000
At beginning of year	1,388	1,386
Charged to profit or loss	(14)	(2)
Charged to other comprehensive income	41	4
<b>At end of year</b>	<u>1,415</u>	<u>1,388</u>

The deferred tax asset is made up as follows:

	2021 £000	2020 £000
Accelerated capital allowances	26	13
Pension surplus	1,389	1,375
	<u>1,415</u>	<u>1,388</u>

HERBERT RETAIL LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021

19. PROVISIONS

	Guarantee provision £000
At 1 April 2020	70
Utilised in year	(70)
<b>At 31 March 2021</b>	<b>-</b>

**Guarantee provision**

The guarantee provision is made for the cost of work to be done under guarantee in respect of machines and equipment sold in the year. The provision is calculated by reference to the estimate of labour costs and materials based upon the average number of call outs per machine, according to past experience shown by service records.

The machines and equipment which were under provision are no longer in use and no further warranty costs are to be expended. The provision has therefore been released on this basis.

20. SHARE CAPITAL

	2021 £000	2020 £000
<b>Allotted, called up and fully paid</b>		
99,600 (2020 - 99,600) Ordinary shares of £1.00 each	<u>100</u>	<u>100</u>

21. RESERVES

**Share premium account**

The share premium represents amounts paid to the company for shares in excess of the par value.

**Capital redemption reserve**

The capital redemption reserve represents shares bought back by the company from previous shareholders.

**Profit and loss account**

The profit and loss account represents accumulated comprehensive income of the year and prior periods less any dividends paid.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**22. CONTINGENT LIABILITIES**

The company has provided the following guarantees:

- guarantee of £20 thousand to HM Revenue and Customs for the import of goods (2020 - £20 thousand)
- an unlimited multilateral guarantee in respect of the bank facilities and borrowings of its parent undertaking and fellow group undertakings. At 31 March 2021 these borrowings amounted to £1,975 thousand (2020 - £2,594 thousand).



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**23. PENSION COMMITMENTS****Defined Contribution Pension Scheme**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. Total contributions for the year amounted to £169 thousand (2020: £159 thousand). Contributions totalling £29 thousand (2020 - £57 thousand) were payable to the fund at the balance sheet date and are included in creditors.

**Defined Benefit Pension Scheme**

The Company operates a Defined Benefit Pension Scheme.

The company operates the Herbert & Sons Limited (1974) Retirement Fund (the Scheme), a UK registered trust based pension scheme that provides defined benefits. Pension benefits are linked to the members' final pensionable salaries and service at their retirement (or date of leaving if earlier). The sponsoring employer of the Scheme is considered to be Herbert Retail Limited. The Trustees are responsible for running the Scheme in accordance with the Scheme's Trust Deed and Rules, which sets out their powers. The Trustees of the Scheme are required to act in the best interests of the beneficiaries of the Scheme.

There are two categories of pension scheme members:

- Deferred members: Former employees or current employees of the Company who have accrued benefits in the Scheme, but not yet in payment
- Pensioner members: in receipt of pension

Reconciliation of present value of plan liabilities:

	2021 £000	2020 £000
<b>RECONCILIATION OF PRESENT VALUE OF PLAN LIABILITIES</b>		
At the beginning of the year	15,869	15,852
Interest cost	375	375
Actuarial (gains) / losses	766	88
Benefits paid	(499)	(446)
<b>AT THE END OF THE YEAR</b>	<u>16,511</u>	<u>15,869</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**23. PENSION COMMITMENTS (CONTINUED)**

Reconciliation of present value of plan assets:

	2021 £000	2020 £000
At the beginning of the year	8,626	8,576
Return on assets	552	65
Interest income	204	203
Contributions	249	228
Benefits paid	(499)	(446)
<b>AT THE END OF THE YEAR</b>	<u><u>9,132</u></u>	<u><u>8,626</u></u>

Amounts recognised in the balance sheet were as follows:

	2021 £000	2020 £000
Fair value of plan assets	9,132	8,626
Present value of plan liabilities	(16,511)	(15,869)
<b>NET PENSION SCHEME LIABILITY</b>	<u><u>(7,379)</u></u>	<u><u>(7,243)</u></u>

The amounts recognised in profit or loss are as follows:

	2021 £000	2020 £000
Net interest	<u><u>(171)</u></u>	<u><u>(172)</u></u>

The amounts recognised in other comprehensive income are as follows:

	2021 £000	2020 £000
Opening defined benefit obligation	552	65
Actuarial gains and (losses)	(766)	(88)
<b>CLOSING DEFINED BENEFIT OBLIGATION</b>	<u><u>(214)</u></u>	<u><u>(23)</u></u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Comprehensive Income was £6,443 (2020 - £6,229).

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**23. PENSION COMMITMENTS (CONTINUED)****Future Funding Obligation**

The Trustees are required to carry out an actuarial valuation every 3 years. The last actuarial valuation of the Scheme was performed by the Actuary for the Trustees as at 31 January 2015. This valuation revealed a funding shortfall of £5,984 thousand. The sponsoring employer agreed to pay:

- annual contributions of £192 thousand payable in equal monthly instalments, between 1 April 2016 and 31 December 2031 inclusive, increased by £12 thousand a year on each 1 April for the whole period.
- additional profit-related contributions contingent on the pre-tax profit of the Herbert Group Limited as outlined in the Scheme's Schedule of Contributions dated 16 March 2016.

All Scheme expenses, including the expenses of administering and operating the Scheme; and levies to the Pension Protection Fund and the Pension Regulator are payable directly in addition by the sponsoring employer.

The sponsoring employer therefore expects to pay £240 thousand to the Scheme during the accounting year beginning 1 April 2021.

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:

	2021 £000	2020 £000
<b>ANALYSIS OF ACTUARIAL LOSS RECOGNISED IN OTHER COMPREHENSIVE INCOME</b>		
Diversity Growth Fund	7,134	6,064
Annuities	5	6
Liability Driven Investments	1,963	2,548
Cash	30	8
	<u>9,132</u>	<u>8,626</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2021**

**23. PENSION COMMITMENTS (CONTINUED)**

The results of the most recent formal actuarial valuation as at 31 January 2015 have been updated to 31 March 2021 by a qualified independent actuary. The assumptions used were as follows:

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021 %	2020 %
Discount rate	2.2	2.4
RPI Inflation	3.3	2.5
CPI inflation	2.4	2.0
Rate of increase for pensions in payment		
- 3% or if CPI is less	2.1	1.8
- 5% or CPI is less, with minimum of 3% pa	3.3	3.1
- 5% or CPI if less	2.4	1.9
Rate of increase for deferred pensioners	2.4	2.0

Assumed healthcare cost trend rates have a significant effect on the amounts recognised in profit or loss. A one percentage point change in assumed healthcare cost trend rates would have the following effects:

	2020	2019
Males	20.7	21.6
Females	22.7	23.5
<b>Retiring in 20 years</b>		
Males	21.7	22.6
Females	23.8	24.5

**24. COMMITMENTS UNDER OPERATING LEASES**

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £000	2020 £000
Not later than 1 year	161	206
Later than 1 year and not later than 5 years	254	130
	<u>415</u>	<u>336</u>

## HERBERT RETAIL LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

#### 25. RELATED PARTY TRANSACTIONS

During the year, Herbert Retail Limited was charged rent on properties owned by Herbert Group Limited of £108 thousand (2020 - £108 thousand).

At the year end the company owed £Nil (2020 - £543 thousand) to Herbert Group Limited in relation to rent and other operating expenses paid on their behalf, this was fully repaid during the year. At the year end Herbert Retail Limited was owed £415 thousand (2020 - £415 thousand) by Herbert Group Limited.

At the year end the company owed Herbert In Building Wireless £175 thousand (2020 - £Nil).

#### 26. POST BALANCE SHEET EVENTS

In December 2021 the company secured additional financing through a debt purchase agreement with Close Invoice Finance Limited. The aim is to provide the company with sufficient working capital to support trading in the medium term.

#### 27. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The ultimate parent undertaking of this company is Herbert Group Limited. Copies of the group accounts can be obtained from Herbert Group Limited, 18 Rookwood Way, Haverhill, Suffolk, CB9 8PD.

R J Herbert is the Company's ultimate controlling party by virtue of his majority shareholding in the Company's parent, Herbert Group Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.