

Registered number: 00235326

ANDREWS AND PARTNERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



ANDREWS AND PARTNERS LIMITED

COMPANY INFORMATION

Directors	P G Bumford (resigned 31 March 2022) S D Esom P B Heal (resigned 24 February 2022) D E Westgate (resigned 16 September 2022) R E Carr (appointed 1 January 2022) A Davis (appointed 1 January 2022) S L Gunyon C F Howard (appointed 1 October 2022) S P Mehta (appointed 1 April 2023)
Company secretary	S L Gunyon
Registered number	00235326
Principal & Registered office	Andrews & Partners Limited The Clockhouse Bath Hill Keynsham Bristol BS31 1HL
Independent auditor	Crowe U.K. LLP Fourth Floor St James House St James Square Cheltenham GL50 3PR
Bankers	Barclays Bank Plc Bridgewater House Counterslip Finzels Reach Bristol BS1 6BX
Solicitors	Harris and Harris Wells Somerset BA5 2RE

ANDREWS AND PARTNERS LIMITED

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ANDREWS AND PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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 the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The loss for the year, after taxation, amounted to £2,872,757 (2021 - loss £2,040,531).

Directors

The Directors who served during the year were:

P G Bumford (resigned 31 March 2022)
S D Esom
P B Heal (resigned 24 February 2022)
D E Westgate (resigned 16 September 2022)
R E Carr (appointed 1 January 2022)
A Davis (appointed 1 January 2022)
S L Gunyon
C F Howard (appointed 1 October 2022)

Future developments

Relevant information around future developments for the Company and Group, and the applicable dividend policy for the period, can both be seen within the Strategic Report.

ANDREWS AND PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Engagement with employees

The Group has continued this year the practice of consulting and keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company. This is achieved by the company intranet, yammer, e mail communication to all staff, regular training courses, meetings and conferences.

The involvement of employees in the company's performance is encouraged through monthly commission and profit share schemes.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the group continues.

Training, career development and promotion of disabled persons is, as far as possible, identical to that of other employees who are not disabled.

Qualifying third party indemnity provisions

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

Disclosure of information to auditor

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 and the Group's auditor is 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 and the Group's auditor is aware of that information.

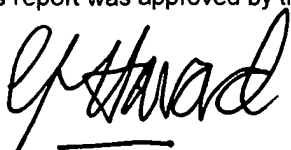
Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditor

The auditor, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



C F Howard
Director

Date: 21/09/23

ANDREWS AND PARTNERS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors have pleasure in presenting their Strategic report and the audited financial statements of Andrews & Partners Limited for the year ended 31 December 2022.

Principal activities and review of the business

The principal activities of the group are in residential estate agency, letting and management and financial services.

The key performance indicators of the business are revenue, profit before tax and cash flow.

Total revenue decreased by 10.4% from £23,604,395 in 2021 to £21,142,115 in 2022. The group made a loss before tax and charitable donations of £2,765,243 in 2022 compared to a loss before tax of £1,706,058 in 2021.

A donation of £Nil was paid in the year (2021: £32,457).

Strategic Summary

Andrews is a business with a fantastic heritage and huge potential to drive positive change in the property industry. Wholly owned by a charitable trust, we seek to operate profitably so that we can pay a dividend which supports the activities of the charity.

As such we have a genuine USP in a market where competitors are purely commercially driven and with, in most cases, a traditional 'sales led' approach.

Andrews aims to be customer and values led which is wholly consistent with our core values. We believe that by doing the right thing for our people and customers we will be successful as a business, and in turn be able to support greater levels of charitable activity in the communities in which we operate.

It is absolutely clear that Trust in the market is painfully low, with Estate Agents sitting just above Journalists and Politicians in negative territory on measures of trust.

As such our aim is to build on our existing reputation to become the Most Trusted and Admired in our sector. By operating ethically, doing the right thing for all our stakeholders, we will be fundamentally differentiated, and recognised as such. Trusted by our people and our customers, Admired by our competitors, and regulators. The Andrews brand will become synonymous with Trust and this brand strength will then present opportunities for us to build the franchise in adjacent sectors including, we anticipate, additional territories such as Hertfordshire and Berkshire.

Over the course of the next 5 years we will first stabilise the business then return to growth before finally breaking out in a way which competitors will find difficult to replicate.

Financially our aim is to achieve 50 & 5 in 5. This is £50m revenue and £5m profit annually in 5 years. To achieve this, we will clearly need to grow in a focused manner. We anticipate steady growth in Residential Sales and Financial Services and more rapid growth in Residential Lettings, essentially doubling the size of Lettings business, where the quality of income is attractive. We see opportunities to innovate in this market, particularly in the way we can align the interests of Landlords and Tenants, supported through digital technology.

We also aspire to build momentum in our Corporate business, focused on secure income, helping corporate landlords manage portfolios effectively. We aim to enter the 'Build to Rent' market, which we see growing significantly over the 5 years. These 'one to many' relationships will we believe present the opportunity to grow our branded franchise cost effectively. Andrews has the core capabilities required to achieve this having supported West Bromwich Building Society and The Co-op as Landlords, managing their sizeable lettings portfolios.

ANDREWS AND PARTNERS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

At heart our strategy is inherently about our people: Doing things differently, 'The Andrews Way'. We will need to be brave and confident that by operating with integrity, having honest conversations with customers and suppliers, we can succeed, in a way which is demarcated from competitors. To some degree this is a leap of faith although this direction is entirely aligned with the trajectory of British society. Customers increasingly, and especially younger generations, want to do business with people who share their values. This is the real opportunity. In parallel therefore we anticipate progressing towards B Corp accreditation over the course of the 5-year period. Creating a virtuous ecosystem around the brand.

There is a better way! The Andrews Way!

Results and dividends

The trading results for the year and the financial position of the company and group are shown in the annexed financial statements. There was no dividend paid declared or paid in the year.

Principal risks and uncertainties

The group takes a proactive approach to risk management with the aim of protecting its' employees and customers and safeguarding the interests of the company and its' shareholders.

The most significant external risk factor for the group is UK macroeconomic conditions. This includes the availability and cost of mortgage finance and confidence in the residential property market particularly in the south of England where the majority of branches are located. All these factors influence the volume of transactions in the market. The core driver for the housing market remains supply. The directors regularly review the market conditions and forward indicators to assess whether any action is required to reduce costs or vary the pace of expansion. Brexit and the Covid 19 pandemic have caused ongoing uncertainty in the property market which could adversely affect the volume of transactions.

Internally the principal risk factor continues to be ensuring that sufficient high-quality people are recruited, developed and retained. The group invests a considerable amount in recruitment, training and development to mitigate this risk. The culture of the company generates significant loyalty within senior and mid-management.

Another internal risk factor for the group is dependency on IT systems which could potentially fail leading to interruption of service. All key IT systems are closely monitored to mitigate this risk and business continuity plans are in place to build resilience. The group continue to insure against cyber risk.

ANDREWS AND PARTNERS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

In recent years, reductions in the Agency business have impacted the business adversely, resulting in trading losses, as the business failed to adapt quickly enough to rapidly changing market conditions caused by many factors, including COVID, Government initiatives and interest rate changes.

The Group has addressed the Agency risk by developing a clear strategy that the Directors are confident will see the business return to profitability. This has involved the restructure of operations that have seen the business return to focused Sales and Lettings operations.

Throughout this time, the Lettings businesses have remained stable and together with significant reductions already made to staffing and supplier costs, the Directors are confident that the Group is now stable and capable of trading profitably again.

However, in reaching this stable operating position, the Group has depleted its cash balances and reduced reserves through continuing losses. Despite that, the Group reserves remain positive, strengthened by the ownership of several freehold properties.

To provide short-term liquidity, the Directors have agreed to liquidate a number of assets and plans for their disposal are well advanced.

In addition, Andrews Charitable Trust, the parent charity, has provided a letter of support that confirms the Trust has set aside sufficient financial resources should they be needed to enable the Group to operate as a going concern and to discharge its debts and liabilities as they fall due for at least twelve months from the date of approval of these accounts.

The company continues to monitor its cash position and payments to ensure that it stays within its cash limits. There is regular dialogue with our bankers, who are kept informed on the financial position of the Group. They are aware of the Group strategy and organisational changes made and continue to support banking facilities for the Group.

The Directors acknowledge that these circumstances represent a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. Nevertheless, the Directors' have a reasonable expectation that the Group has adequate resources to continue in operation for twelve months from the date of approval of these financial statements. For these reasons the Directors consider it appropriate to continue adopting the going concern basis in preparing the financial statements.

Future developments

The strategy going forward will include all divisions working much more closely in a "one company" approach to ensure customers' needs are fully met. The focus remains to be more customer centric and make the most of the clear opportunity for the group to earn more revenue from servicing the existing customer base. Rebalancing the income mix towards more contracted revenue sources is a key component of the Andrews strategy. Therefore, as well as overall customer experience improvements, the focus of future development will be primarily centred on the Residential and Corporate Lettings businesses.

As well as growing revenue, the strategy is to restrain costs to become more operationally efficient and increase profit margins.

ANDREWS AND PARTNERS LIMITED

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

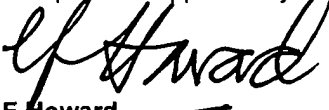
Section 172 Statement

The duties of a Director as set out in s172 of the UK Companies Act 2006 can be summarised as follows: 'A Director of a Company must act in the way he/she considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to:

- The likely consequences of any decisions in the long term
- The interests of the Company's employees
- The need to foster business relationships with suppliers, customers and others
- The impact of operations on the community and the environment
- Maintaining a reputation for high standards of business conduct.

The Directors believe they have completed their duties under s172.

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


C F Howard
Director

Date: 21/09/23

ANDREWS AND PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS AND PARTNERS LIMITED

Opinion

We have audited the financial statements of Andrews and Partners Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Profit and loss account, the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group Statement of cash flows, the Group and Company 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 Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 2.3 in the financial statements, which indicates that the Group have seen reductions in the agency business which have impacted on the business adversely in recent years. The Directors believe they have now stabilised the business but in reaching this stable operating position, the Group have depleted its cash balance and reduced reserves through continuing losses. To provide short term liquidity, the Directors have agreed to liquidate a number of assets and plans for their disposal are well advanced. In addition, Andrews Charitable Trust, the parent charity, has provided a letter of support that confirms the Trust has set aside sufficient financial resources should they be needed to enable the Group to operate as a going concern and to discharge its debts and liabilities as they fall due for at least 12 months from the date of approval of these accounts. As stated in note 2.3, these events or conditions, along with the other matters as set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

ANDREWS AND PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS AND PARTNERS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 Group 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 Group 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 1, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

ANDREWS AND PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS AND PARTNERS LIMITED (CONTINUED)

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 (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 Group 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 obtained an understanding of the legal and regulatory frameworks within which the Company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the Company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the Company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Anti-fraud, bribery and corruption legislation, environmental protection legislation, Health and safety legislation, Taxation legislation and Employment legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be in the following areas: timing of recognition of income; the override of controls by management, including posting of unusual journals; inappropriate treatment of non-routine transactions and areas of estimation uncertainty; and manipulating the Company's key performance indicators to meet management targets.

Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, review and discussion of non-routine transactions, sample testing on the posting of journals and income transactions and review of accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

ANDREWS AND PARTNERS LIMITED

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ANDREWS AND PARTNERS 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 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.



Guy Biggin (Senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

Fourth Floor
St James House
St James Square
Cheltenham
GL50 3PR
Date: 22/09/2023

ANDREWS AND PARTNERS LIMITED

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	21,142,115	23,604,395
Gross profit		21,142,115	23,604,395
Administrative expenses		(23,710,419)	(25,907,345)
Exceptional administrative expenses	6	(762,742)	-
Other operating income	5	258,538	157,338
Gains/(losses) on revaluations of investment property		232,742	435,000
Operating loss		(2,839,766)	(1,710,612)
Gain on disposal of investments		20,865	-
Interest receivable and similar income	10	122,492	18,936
Interest payable and similar expenses	11	(68,834)	(14,382)
Loss before tax		(2,765,243)	(1,706,058)
Tax on loss	12	(107,514)	(334,473)
Loss for the financial year		(2,872,757)	(2,040,531)
Loss for the year attributable to:			
Owners of the parent		(2,872,757)	(2,040,531)
		(2,872,757)	(2,040,531)

The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Loss for the financial year		(2,872,757)	(2,040,531)
Other comprehensive income			
Revaluation of tangible fixed assets		(90,742)	80,000
Deferred tax on revalued properties		17,818	(6,250)
Other comprehensive income for the year		(72,924)	73,750
Total comprehensive income for the year		(2,945,681)	(1,966,781)
(Loss) for the year attributable to:			
Owners of the parent Company		(2,945,681)	(1,966,781)
		(2,945,681)	(1,966,781)


The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED
REGISTERED NUMBER: 00235326

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	14	382,472	454,537
Tangible assets	15	4,635,992	4,834,089
Investments	16	-	25,000
Investment property	17	1,682,742	1,450,000
		<u>6,701,206</u>	<u>6,763,626</u>
Current assets			
Debtors: amounts falling due within one year	18	1,666,572	2,611,888
Cash at bank and in hand		2,145,707	5,922,627
		<u>3,812,279</u>	<u>8,534,515</u>
Current liabilities			
Creditors: amounts falling due within one year	19	(2,390,414)	(4,363,307)
Net current assets		<u>1,421,865</u>	<u>4,171,208</u>
Total assets less current liabilities		<u>8,123,071</u>	<u>10,934,834</u>
Creditors: amounts falling due after more than one year	20	(1,608,332)	(1,400,000)
Provisions for liabilities			
Other provisions	24	(664,084)	(738,498)
Net assets		<u><u>5,850,655</u></u>	<u><u>8,796,336</u></u>
Capital and reserves			
Called up share capital	25	146,630	146,630
Revaluation reserve	26	1,242,792	1,315,716
Profit and loss account	26	4,461,233	7,333,990
Total shareholders' funds		<u><u>5,850,655</u></u>	<u><u>8,796,336</u></u>

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


C F Howard
 Director 21/09/2023

The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED
REGISTERED NUMBER: 00235326

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	16	200,100	200,100
Current assets			
Debtors: amounts falling due within one year	18	6,606,494	6,659,750
Cash at bank and in hand		145,252	132,355
		<u>6,751,746</u>	<u>6,792,105</u>
Current liabilities			
Creditors: amounts falling due within one year	19	(2,494,659)	(2,633,943)
Net current assets		<u>4,257,087</u>	<u>4,158,162</u>
Total assets less current liabilities		<u>4,457,187</u>	<u>4,358,262</u>
Creditors: amounts falling due after more than one year	20	(1,458,332)	(1,250,000)
Net assets		<u><u>2,998,855</u></u>	<u><u>3,108,262</u></u>
Capital and reserves			
Called up share capital	25	146,630	146,630
Profit and loss account brought forward		2,961,632	3,440,060
Loss for the year		(109,407)	(445,971)
Distributions to parent charity		-	(32,457)
Profit and loss account carried forward		<u>2,852,225</u>	<u>2,961,632</u>
Total shareholders' funds		<u><u>2,998,855</u></u>	<u><u>3,108,262</u></u>

The company has elected to take the exemption under Section 408 of the Companies Act 2006 not to present the company profit and loss account. The loss can be seen within capital and reserves in the company Balance Sheet above.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


C F Howard
 Director

Date: 21/09/23 

The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 January 2021	146,630	1,241,966	9,406,978	10,795,574
Loss for the year	-	-	(2,040,531)	(2,040,531)
Other comprehensive income	-	80,000	-	80,000
Deferred tax on revalued properties	-	(6,250)	-	(6,250)
Total comprehensive income for the year	-	73,750	(2,040,531)	(1,966,781)
Distributions to parent charities	-	-	(32,457)	(32,457)
At 1 January 2022	146,630	1,315,716	7,333,990	8,796,336
Loss for the year	-	-	(2,872,757)	(2,872,757)
Deficit on revaluation of freehold property	-	(90,742)	-	(90,742)
Other movement type 2	-	17,818	-	17,818
Total comprehensive income for the year	-	(72,924)	(2,872,757)	(2,945,681)
At 31 December 2022	146,630	1,242,792	4,461,233	5,850,655

The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021	146,630	3,440,060	3,586,690
Loss for the year	-	(445,971)	(445,971)
Total comprehensive income for the year	-	(445,971)	(445,971)
Distributions to parent charities	-	(32,457)	(32,457)
At 1 January 2022	146,630	2,961,632	3,108,262
Loss for the year	-	(109,407)	(109,407)
Total comprehensive income for the year	-	(109,407)	(109,407)
At 31 December 2022	146,630	2,852,225	2,998,855

The notes on pages 19 to 42 form part of these financial statements.

ANDREWS AND PARTNERS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(2,872,757)	(2,040,531)
Adjustments for:		
Amortisation of intangible assets	72,065	67,731
Depreciation of tangible assets	704,796	790,615
Depreciation on assets revalued in the year	-	(12,133)
(Loss)/profit on disposal of tangible assets	(58,132)	25,274
Government grants	-	(49,776)
Interest paid	68,834	14,382
Interest received	(122,492)	(18,936)
Taxation charge	107,514	334,473
Decrease/(increase) in debtors	823,876	(160,850)
(Decrease)/increase in creditors	(1,177,261)	240,116
(Decrease) in provisions	(74,414)	(153,416)
Net fair value (gains) recognised in P&L	(232,742)	(435,000)
Corporation tax received/(paid)	-	(31,741)
Profit on sale of investment	(20,865)	-
Net cash generated from operating activities	(2,781,578)	(1,429,792)
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(260,000)
Purchase of tangible fixed assets	(718,763)	(1,766,927)
Sale of tangible fixed assets	179,454	453,334
Purchase of investment properties	-	(120,000)
Sale of unlisted and other investments	45,865	-
Government grants received	-	49,776
Interest received	122,492	18,936
Net cash from investing activities	(370,952)	(1,624,881)

ANDREWS AND PARTNERS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from financing activities		
Repayment of loans	(555,556)	-
Other new loans	-	150,000
Repayment of other loans	-	(26,753)
Dividends paid	-	(32,457)
Interest paid	(68,834)	(14,382)
Net cash used in financing activities	(624,390)	76,408
Net (decrease) in cash and cash equivalents	(3,776,920)	(2,978,265)
Cash and cash equivalents at beginning of year	5,922,627	8,900,892
Cash and cash equivalents at the end of year	2,145,707	5,922,627
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	2,145,707	5,922,627
	2,145,707	5,922,627

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

Andrews & Partners Limited ('the company') and its subsidiaries (together 'the group') is a residential estate agency and property group operating from a network of branches in the South of England. It offers estate agency and letting services, together with a range of complementary services including financial services and surveying.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom (Company number: 00235326). The address of its registered office is The Clockhouse, Bath Hill, Keynsham, Bristol BS31 1HL.

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 Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and loss account in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ('the Group') as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated profit and loss account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Going concern

In recent years, reductions in the Agency business have impacted the business adversely, resulting in trading losses, as the business failed to adapt quickly enough to rapidly changing market conditions caused by many factors, including COVID, Government initiatives and interest rate changes.

The Group has addressed the Agency risk by developing a clear strategy that the Directors are confident will see the business return to profitability. This has involved the restructure of operations that have seen the business return to focused Sales and Lettings operations.

Throughout this time, the Lettings businesses have remained stable and together with significant reductions already made to staffing and supplier costs, the Directors are confident that the Group is now stable and capable of trading profitably again.

However, in reaching this stable operating position, the Group has depleted its cash balances and reduced reserves through continuing losses. Despite that, the Group reserves remain positive, strengthened by the ownership of several freehold properties.

To provide short-term liquidity, the Directors have agreed to liquidate a number of assets and plans for their disposal are well advanced.

In addition, Andrews Charitable Trust, the parent charity, has provided a letter of support that confirms the Trust has set aside sufficient financial resources should they be needed to enable the Group to operate as a going concern and to discharge its debts and liabilities as they fall due for at least twelve months from the date of approval of these accounts.

The company continues to monitor its cash position and payments to ensure that it stays within its cash limits. There is regular dialogue with our bankers, who are kept informed on the financial position of the Group. They are aware of the Group strategy and organisational changes made and continue to support banking facilities for the Group.

The Directors acknowledge that these circumstances represent a material uncertainty that may cast significant doubt upon the Group's ability to continue as a going concern. Nevertheless, the Directors' have a reasonable expectation that the Group has adequate resources to continue in operation for twelve months from the date of approval of these financial statements. For these reasons the Directors consider it appropriate to continue adopting the going concern basis in preparing the financial statements.

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.4 Revenue

Revenue from services is recognised in the period in which the service is rendered, when the significant risks and rewards of ownership have been transferred to the buyer, the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the entity, and when the specific criteria relating to each of the company's sales channels have been met, as described below:

a) Estate Agency:

Commission receivable in respect of the sale of property on behalf of clients is recognised in the financial statements on the exchange of each sale.

b) Other Activities:

Revenue represents commission and fees from property letting and management, and commissions from financial services. Initial commission on financial services is recognised as income when the policy goes on risk. A provision is made for future clawbacks of initial commission anticipated to arise in the indemnity period. Renewal commission is recognisable on a received basis. Fees and commissions receivable from clients of the property letting and management business are recognised in the profit and loss account on completion of the letting of the property, as rents credited to the profit fall due or over the duration of the management contract. Commission receivable in respect of surveys is recognised when the work has been completed.

2.5 Operating leases: the Group as lessor

Rental income from operating leases is credited to profit or loss on a straight-line basis over the lease term.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 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 Consolidated profit and loss account in the same period as the related expenditure.

2.8 Interest income

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

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.9 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.

2.10 Termination benefits

Termination payments are accounted for as soon as the Group is aware of the obligation to make the payment.

2.11 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in 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 Group in independently administered funds.

2.12 Current 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 income 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 and the Group operate and generate 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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.

The deferred tax in relation to gains and losses recognised through the revaluation reserve is debited

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.12 Current and deferred taxation (continued)

or credited to this reserve accordingly.

2.13 Exceptional items

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

2.14 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Profit and loss account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

Negative goodwill

Negative goodwill is the difference between the fair value of the assets and liabilities acquired of a business and the amount paid on acquisition.

Negative goodwill is credited to incoming resources on a straight line basis over its expected life of 10 years.

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.15 Tangible fixed assets

The Group has continued to adopt a policy of revaluation for its freehold and long leasehold properties and separates these assets into components where they have significantly different economic useful lives. Changes in fair value are recognised through other comprehensive income.

Property, plant and equipment are stated at cost or valuation less depreciation calculated on the following basis:

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:

Freehold premises	- Freehold buildings are depreciated on a straight-line basis over 50 years. Freehold land is not depreciated.
Long-term leasehold property	- Over the term of the lease.
Short leasehold premises	- Premises with leases with less than 50 years to run are depreciated over the unexpired period of the lease.
Motor vehicles	- Owned motor vehicles are depreciated on a straight-line basis over 4 years.
Furniture and equipment	- Furniture and equipment is depreciated on a straight-line basis at varying rates from 20% to 33% per annum.

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.

2.16 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Consolidated profit and loss account for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.19 Onerous leases

Where the unavoidable costs of a lease exceed the economic benefit expected to be received from it, a provision is made for the present value of the obligations under the lease.

2.20 Financial instruments

The Company only has financial assets and financial liabilities that qualify as 'basic financial instruments' under FRS 102. Basic financial instruments are initially recognised at transaction value and subsequently held at amortised cost. Basic financial instruments held by the Company constitute trade and other debtors, debenture loans, trade creditors and other loans.

2.21 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Estimations and judgements are continually evaluated and are based on historical experience and other factors, including expectations of more events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Given the uncertainty surrounding the assumptions and conditions upon which the estimates are based.

The directors consider that the following estimates and judgements are likely to have the most significant effect on the amounts recognised in the group's consolidated financial statements:

a) Impairment of Goodwill (note 14)

Determining whether goodwill is impaired requires a management estimate of future cash flows. The goodwill in the group's financial statements relates to the future value of managed lettings contracts acquired when the associated business was purchased. The key judgement here is the attrition rate of the lets over time and this is monitored by management on an ongoing basis.

b) Property, plant and equipment (note 15)

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated economic useful lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually, and are amended to reflect current estimates based on market conditions. Assets are revalued on a periodic basis using appropriate assumptions.

c) Onerous lease provisions (note 24)

The Group is legally responsible for rent payments on any property they vacate under a lease agreement before the end term or break date within the contract. Provisions for such cost is made where a legal obligation is identified and the liability can be reliably quantified.

d) Clawback provisions (note 24)

The Group is liable for clawback on commission received on the sale of third party products where customers cancel agreements within a specified time period. Provisions for such cost is made where there is a legal obligation and based on historical experience.

4. Turnover

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

	2022 £	2021 £
Estate agency	8,531,586	9,788,655
Conveyancing	697,164	928,787
Financial services	2,286,470	3,090,990
Letting and management	9,626,895	9,795,963
	<u>21,142,115</u>	<u>23,604,395</u>

All turnover arose within the United Kingdom.

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

5. Other operating income

	2022 £	2021 £
Rent receivable	258,538	107,022
Government grants - Coronavirus Job Retention Scheme	-	49,776
Insurance claims receivable	-	540
	<u>258,538</u>	<u>157,338</u>

6. Exceptional items

	2022 £	2021 £
Reorganisation costs	<u>762,742</u>	<u>-</u>

7. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor and its associates:

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements	35,500	30,000

The Company has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Company.

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

8. Employees

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	12,527,669	13,478,426	-	2,482,610
Social security costs	1,321,933	1,456,577	-	260,137
Cost of defined contribution scheme	428,799	463,672	-	125,116
	<u>14,278,401</u>	<u>15,398,675</u>	<u>-</u>	<u>2,867,863</u>

All employees including directors are remunerated through Andrews Estate Agents Limited and therefore the Company has no payroll costs this year.

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

	2022 No.	2021 No.
Estate agency	156	208
Lettings	208	162
Financial services	21	26
Administration and support	29	57
	<u>414</u>	<u>453</u>

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	712,285	717,084
Group contributions to defined contribution pension schemes	52,331	45,263
Compensation for loss of office	193,040	160,000
	<u>957,656</u>	<u>922,347</u>

During the year retirement benefits were accruing to no Directors (2021 - 3) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £345,923 (2021 - £300,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £4,431 (2021 - £16,800).

The above note shows the total directors remuneration for the Group. The Company Directors were remunerated through Andrews Estate Agents in the financial year. The total of these Directors emoluments was £655,683 which includes £110,540 for compensation of loss of office. The total pension contributions for the Company Directors was £30,433. The highest paid Director details are the same as disclosed above.

10. Interest receivable

	2022 £	2021 £
Other interest receivable	<u>122,492</u>	<u>18,936</u>

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	<u>68,834</u>	<u>14,382</u>

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Taxation

	2022 £	2021 £
Corporation tax		
Adjustments in respect of previous periods	-	(6,528)
Total current tax	-	(6,528)
Deferred tax		
Origination and reversal of timing differences	52,197	471,070
Changes to tax rates	10,669	(191,279)
Adjustments in respect of prior periods	44,648	61,210
Total deferred tax	107,514	341,001
Taxation on profit on ordinary activities	107,514	334,473

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(2,765,243)</u>	<u>(1,706,058)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(525,396)	(324,151)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	2,026	2,047
Fixed asset timing differences	(17,094)	(5,177)
Non-taxable income	(44,221)	(82,650)
Other permanent differences	3,800	(662)
Chargeable gains/(losses)	(13,542)	18,050
Adjustments to tax charge in respect of previous periods	-	(6,528)
Adjustments to tax charge in respect of previous periods - deferred tax	44,648	61,210
Deferred tax (charged)/credited to OCI	17,818	(6,250)
Remeasurement of deferred tax for changes in tax rates	10,811	(315,238)
Deferred tax not recognised	628,664	993,822
Total tax charge for the year	<u><u>107,514</u></u>	<u><u>334,473</u></u>

Factors that may affect future tax charges

In the 2021 Budget it was confirmed that the rate of corporation tax will increase from 19% to 25% from 1 April 2023. At the same time, a small companies' rate of 19% will be introduced and marginal relief given for intermediate companies. The main rate applies to companies with profits over £250,000; the small companies' rate to those with profits of £50,000 or less, with marginal tapering for profits in between the thresholds.

13. Dividends

	2022 £	2021 £
Gift aid to parent entity	<u>-</u>	<u>32,457</u>

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

14. Intangible assets

Group and Company

	Lettings book £	Goodwill £	Negative goodwill £	Total £
Cost				
At 1 January 2022	319,583	867,033	(59,583)	1,127,033
At 31 December 2022	<u>319,583</u>	<u>867,033</u>	<u>(59,583)</u>	<u>1,127,033</u>
Amortisation				
At 1 January 2022	-	672,496	-	672,496
Charge for the year	31,958	46,065	(5,958)	72,065
At 31 December 2022	<u>31,958</u>	<u>718,561</u>	<u>(5,958)</u>	<u>744,561</u>
Net book value				
At 31 December 2022	<u>287,625</u>	<u>148,472</u>	<u>(53,625)</u>	<u>382,472</u>
At 31 December 2021	<u>319,583</u>	<u>194,537</u>	<u>(59,583)</u>	<u>454,537</u>

The goodwill cost includes the fully amortised acquisition of Accredited Lettings Limited of £404,220, Accredited Lettings Limited being dissolved in July 2018. The remaining goodwill at 31 December 2022 relates to the acquisition of managed letting contracts in 2016.

The lettings book relates to the fair value of the lettings book purchased from Browns Worcester Park Estate Agents during 2021. This resulted in negative goodwill of £59,583. The intangible asset is being amortised over 10 years. There was deferred consideration of £26,000 which was included within accruals at 31 December 2021 and paid during 2022.

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Tangible fixed assets

Group

	Freehold premises £	Long-term leasehold property £	Short leasehold premises £	Motor vehicles £	Furniture and equipment £	Total £
Cost or valuation						
At 1 January 2022	2,870,000	150,000	233,597	915,613	12,278,779	16,447,989
Additions	-	-	-	-	718,763	718,763
Disposals	-	-	-	(314,425)	(629,908)	(944,333)
Revaluations	(90,742)	-	-	-	-	(90,742)
At 31 December 2022	<u>2,779,258</u>	<u>150,000</u>	<u>233,597</u>	<u>601,188</u>	<u>12,367,634</u>	<u>16,131,677</u>
Depreciation						
At 1 January 2022	-	-	173,165	784,261	10,656,474	11,613,900
Charge for the year	-	-	2,004	-	702,792	704,796
Disposals	-	-	-	(264,073)	(558,938)	(823,011)
At 31 December 2022	<u>-</u>	<u>-</u>	<u>175,169</u>	<u>520,188</u>	<u>10,800,328</u>	<u>11,495,685</u>
Net book value						
At 31 December 2022	<u>2,779,258</u>	<u>150,000</u>	<u>58,428</u>	<u>81,000</u>	<u>1,567,306</u>	<u>4,635,992</u>
At 31 December 2021	<u>2,870,000</u>	<u>150,000</u>	<u>60,432</u>	<u>131,352</u>	<u>1,622,305</u>	<u>4,834,089</u>

The group's freehold properties are formally revalued every year. They were last formally revalued at 31 December 2022 on the basis of open market value by Colliers International who are independent qualified valuers. The valuations were undertaken in accordance with the Appraisal and Valuation Manual of the Royal Institute of Chartered Surveyors in the United Kingdom.

These valuations have been incorporated into the financial statements and the resulting revaluation adjustments have been taken to other comprehensive income. At 31 December 2022 the historical costs of the revalued freehold premises was £1,513,835 (2021: £1,553,921) and the short leasehold premises was £50,500 (2021: £50,500) and the long leasehold was £200,000 (2021: £200,000).

At 31 December 2022 the historical net book value of the revalued freehold premises was £1,126,307 (2021: £1,138,094) and short leasehold premises £49,985 (2021: £49,490) and the long leasehold premises was £196,000 (2021: £198,000).

ANDREWS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

16. Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 January 2022	25,000
Disposals	(25,000)
At 31 December 2022	

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	200,100
At 31 December 2022	200,100

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Andrews Estate Agents Limited	Estate Agents	Ordinary	100%
Andrews Letting and Management Limited	Letting Agents	Ordinary	100%
Andrews Pension Trust Limited	Pension Trustee	Ordinary	100%
Andrews West Street Management Limited	Property Management	Ordinary	100%

Andrews West Street Management Limited (company number 05619715) is exempt from the requirements of the Act relating to the audit of the financial statements under section 479A of the Companies Act 2006 and is not consolidated into the group on the grounds that it is immaterial.

Andrews Pension Trust Limited is a dormant company (company number 00537669) and is exempt from the requirement of the Act relating to the audit of the financial statements under section 480 of the Companies Act 2006 and is not consolidated into the group on the grounds that it is immaterial.

The registered office of all subsidiaries is The Clockhouse, Bath Hill, Keynsham, BS31 1HL.

ANDREWS AND PARTNERS LIMITED

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16. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/ (Loss) £
Andrews Estate Agents Limited	(3,131,510)	(653,806)
Andrews Letting and Management Limited	6,186,052	(2,109,584)
Andrews Pension Trust Limited	100	-
Andrews West Street Management Limited	7,591	-

17. Investment property

Group

Valuation	Freehold investment property £
At 1 January 2022	1,450,000
Surplus on revaluation	232,742
At 31 December 2022	1,682,742

The 2022 valuations were made by Colliers International, on an open market value for existing use basis.

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

	2022 £	2021 £
Historic cost	584,008	543,922

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18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	591,131	1,448,224	-	-
Amounts owed by group undertakings	43,922	30,066	6,606,494	6,606,494
Other debtors	121,798	156,926	-	44,648
Prepayments and accrued income	635,095	656,998	-	8,608
Deferred taxation	274,626	319,674	-	-
	<u>1,666,572</u>	<u>2,611,888</u>	<u>6,606,494</u>	<u>6,659,750</u>

The intercompany undertakings are interest free and repayable on demand by the inter group companies.

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	486,112	1,250,000	486,112	1,250,000
Trade creditors	463,824	572,813	-	-
Amounts owed to group undertakings	-	-	1,973,851	1,359,410
Other taxation and social security	405,869	833,858	-	-
Other creditors	166,822	158,983	-	-
Accruals and deferred income	867,787	1,547,653	34,696	24,533
	<u>2,390,414</u>	<u>4,363,307</u>	<u>2,494,659</u>	<u>2,633,943</u>

The intercompany undertakings are interest free and repayable on demand by the inter group companies.

ANDREWS AND PARTNERS LIMITED

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20. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	1,458,332	1,250,000	1,458,332	1,250,000
Other loans	150,000	-	-	-
Other loans	-	150,000	-	-
	<u>1,608,332</u>	<u>1,400,000</u>	<u>1,458,332</u>	<u>1,250,000</u>

The bank loan is a CBILS loan of £2.5m and is secured by a cross guarantee in favour of the Groups bankers from/granted by Andrews & Partners Limited, Andrews Letting and Management Limited and Andrews Estate Agents Limited. Interest is charged at 2.4% per annum and the loan is due for repayment in 8 equal installments commencing January 2022.

The bank also holds security over a number of freehold properties known as 43 Newbridge Road Bath, The Old Bakery Bristol, 532 London Road North Cheam Surrey, 84 Station Road Bristol, 3&5 Worcester Street Gloucester, 26 & 28 Corn Street Witney, 24 King Street Stroud, 12 Badminton Road Bristol, The Old Barn Bristol, 5 Upper Green East Mitcham.

Other loans is a 60 month loan received from Openworks which is interest free and only repayable if there is a default or termination in agreement.

21. Loans

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Amounts falling due within one year				
Bank loans	486,112	1,250,000	486,112	1,250,000
Amounts falling due 1-2 years				
Bank loans	1,458,332	1,250,000	1,458,332	1,250,000
Amounts falling due 2-5 years				
Other loans	150,000	-	-	-
Amounts falling due after more than 5 years				
Other loans	-	150,000	-	-
	<u>2,094,444</u>	<u>2,650,000</u>	<u>1,944,444</u>	<u>2,500,000</u>

ANDREWS AND PARTNERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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22. Financial instruments

	Group 2022 £	<i>Group 2021 £</i>
Financial assets		
Financial assets measured at fair value through profit or loss	<u>1,682,742</u>	<u>1,450,000</u>

Financial assets measured at fair value through profit or loss comprise investment property.

23. Deferred taxation

Group

	2022 £
At beginning of year	319,674
Charged to profit or loss	(62,866)
Charged to other comprehensive income	17,818
At end of year	<u>274,626</u>

	Group 2022 £	<i>Group 2021 £</i>
Fixed asset timing differences	260,503	281,662
Other short term timing differences	20,055	61,762
Capital (gains)/losses	(5,932)	(23,750)
	<u>274,626</u>	<u>319,674</u>

ANDREWS AND PARTNERS LIMITED

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24. Provisions

Group

	Onerous lease provision £	Clawback provision £	Total £
At 1 January 2022	509,680	228,818	738,498
Charged to profit or loss	124,208	91,187	215,395
Utilised in year	(160,555)	(129,254)	(289,809)
At 31 December 2022	<u>473,333</u>	<u>190,751</u>	<u>664,084</u>

Onerous Lease Provisions

Following the closure of 8 sites since 2018 an onerous lease provision was recognised which represents the directors' estimates of the net unrecovered costs during the remaining period of the leases. These leases still remain as onerous at the 31 December 2022.

Clawbacks

Provision is made for future clawbacks of initial financial services commission anticipated to arise in the 38 month indemnity period. The group has analysed historical data to calculate the rate of projected future clawbacks based on past experience.

25. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
293,260 (2021 - 293,260) Ordinary shares of £0.50 each	<u>146,630</u>	<u>146,630</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

26. Reserves

Revaluation reserve

Increases in valuations arising on the revaluation of freehold property are taken to the revaluation reserve. Any decreases in valuations are taken to the revaluation reserve to the extent that the individual properties have been revalued upwards previously.

Profit and loss account

This reserve represents the Group's cumulative profits and losses.

ANDREWS AND PARTNERS LIMITED

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27. Analysis of net debt

	At 1 January 2022 £	Cash flows £	Other non- cash changes £	At 31 December 2022 £
Cash at bank and in hand	5,922,627	(3,776,920)	-	2,145,707
Debt due after 1 year	(1,400,000)	-	(208,332)	(1,608,332)
Debt due within 1 year	(1,250,000)	555,556	208,332	(486,112)
	<u>3,272,627</u>	<u>(3,221,364)</u>	<u>-</u>	<u>51,263</u>

28. Capital commitments

At 31 December 2022 the Group and Company had capital commitments as follows:

	Group 2022 £	Group 2021 £
Contracted for but not provided in these financial statements	-	581,024

Capital commitments are in relation to the purchase of IT equipment and property refurbishments.

29. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £428,799 (2021: £463,672). Contributions totalling £69,473 (2021: £73,943) were payable to the fund at the balance sheet date and are included in creditors.

ANDREWS AND PARTNERS LIMITED

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30. Operating leases - Lessee

At 31 December 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Land and buildings		
Not later than 1 year	1,050,144	1,083,383
Later than 1 year and not later than 5 years	2,610,309	2,723,951
Later than 5 years	1,348,124	1,018,959
	<u>5,008,577</u>	<u>4,826,293</u>
	<u>2022</u> £	<u>2021</u> £
Other		
Not later than 1 year	208,414	186,985
Later than 1 year and not later than 5 years	125,205	237,886
Later than 5 years	-	-
	<u>333,619</u>	<u>424,871</u>

Lease payments recognised as an expense in the year totalled £1,593,281 (2021: £1,218,996). Operating leases are in relation to the rental of properties, cars and IT equipment.

31. Operating leases - Lessor

At 31 December 2022 the Group had future minimum lease receipts due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	275,262	232,598
Later than 1 year and not later than 5 years	318,419	442,614
Later than 5 years	283,397	338,865
	<u>877,078</u>	<u>1,014,077</u>

The Group rents out flats above its commercial units for residential purposes.

ANDREWS AND PARTNERS LIMITED

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32. Related party transactions

The group has taken advantage of the exemption available under FRS 102 Section 33.1A from disclosing transactions with entities that are wholly owned within the group.

During the financial year a gift aid donation of £Nil (2021: £32,457) was made to Andrews Charitable Trust, the Company's ultimate controlling party. At the balance sheet date, Andrews & Partners Limited owe Andrews Charitable Trust £43,922 (2021: £30,066).

During the year R. Carr (a Director in Andrews & Partners Limited) provided non-executive director consultancy services for a fee of £20,000 to Andrews Estate Agents Limited (2021: £Nil). The total amount outstanding at the year end was £1,666 (2021: £Nil).

33. Ultimate parent undertaking and controlling party

The company's immediate and ultimate controlling party is Andrews Charitable Trust, which holds 100% of the allotted share capital of Andrews & Partners Limited. Copies of the group financial statements may be obtained from the same registered address as this company.