

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021
FOR
HINGLEY & CALLOW INVESTMENTS LIMITED

French Ludlam & Co Limited
Statutory Auditors and Accountants
Mountfield House
661 High Street
Kingswinford
West Midlands
DY6 8AL

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Statement of Cash Flows	14
Notes to the Financial Statements	16

HINGLEY & CALLOW INVESTMENTS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

DIRECTORS:

J D Callow
Mrs A M Callow
Mrs H L Needham
J Callow

SECRETARY:

J D Callow

REGISTERED OFFICE:

Severn House
Sandy Lane Industrial Estate
Stourport-on-Severn
Worcestershire
DY13 9QB

REGISTERED NUMBER:

00955492 (England and Wales)

AUDITORS:

French Ludlam & Co Limited
Statutory Auditors and Accountants
Mountfield House
661 High Street
Kingswinford
West Midlands
DY6 8AL

STRATEGIC REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

The directors present their strategic report for the year ended 30th September 2021.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activity of the company is holding a portfolio of investment properties and listed investments. In the previous period the company's principal activity was the distribution of domestic, agricultural and industrial fuels, together with the sale of petrol, oils and associated products from a petrol filling station.

Business review

On 1st October 2020 the company declared a dividend in specie, whereby the entire business and net trading assets of the company, excluding £78,966 of cash, listed investments, investment properties and certain other specified properties, were transferred to its holding company, Hingley & Callow Oils Limited.

On 1st January 2021 a capital reduction demerger occurred, whereby 7,755,020 £1 Ordinary A shares in Hingley & Callow Oils Limited, held by The James Callow 1996 Discretionary Settlement (the Trust), were cancelled in return for the company's subsidiary, Hingley & Callow Investments Limited, transferring its 2,000 £1 Ordinary shares to Hingley & Callow Investment Holdings Limited, who in turn issued one Ordinary £0.01 share to the Trust. Hingley & Callow Oils Limited therefore no longer holds any interest in Hingley & Callow Investments Limited and the company is now a 100% subsidiary of Hingley & Callow Investment Holdings Limited.

The company changed its financial period end to 30th September 2020 to facilitate further corporate reorganisation on 1st October 2020.

Performance

The key financial performance indicators are as follows:

	Year to 30th September 2021 £	15 months to 30th September 2020 £
Turnover	-	67,779,132
Gross profit	-	9,810,710
Operating profit	7,629,455	2,564,965
Gross profit %	nil%	14.5%
Average number of employees	<u>4</u>	<u>91</u>

The Statement of Comprehensive Income reflects the transfer of the company's trade as described above.

Operating profit includes the profit on the transfer of goodwill to Hingley & Callow Oils Limited of £7,338,378, together with net rental income for portfolio of land and buildings of £249,386.

The portfolio continues to provide a good return, with net rental income decreasing marginally by 2.8% to £256,664 on a pro rata basis due to transferring an investment property as part of the restructure. Development work on the investment properties has continued throughout the year.

Going forward the group is continuing its restructure but there are no plans to acquire or dispose of any operations. The directors long term strategy is to continue to expand the company's property portfolio.

PRINCIPAL RISKS AND UNCERTAINTIES

The company would be exposed to interest rate risk on any borrowings. However, borrowings are kept to a minimum and any exposure to interest rate increases is immaterial.

The company would also be affected by any significant downturn in the property market or stock markets. However, the directors do not deem this risk to be significant.

STRATEGIC REPORT
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

SECTION 172(1) STATEMENT

The company is unable to claim the exemption to produce small company accounts under the Companies Act, due to it failing to qualify for exemption last year and the two year rule. Going forward the company will be entitled to claim this exemption and will be preparing small company accounts on an ongoing basis. The directors therefore do not consider it necessary to include a S172(1) statement in their strategic report.

KEY PERFORMANCE INDICATORS (KPI)

The directors consider the rental income and growth of investments to be key performance indicators.

ENVIRONMENT

The company continually seeks to minimise the environmental impact of its operations by complying with all relevant legislation and being aware of its environmental responsibilities.

EMPLOYEES

The directors recognise the importance of investing in the training and development of employees.

GOING CONCERN

The company has a very strong Balance Sheet and the directors have a reasonable expectation that the company has adequate resources to continue trading for the foreseeable future and, therefore, continue to adopt the going concern basis of accounting in preparing the financial statements.

ON BEHALF OF THE BOARD:

J Callow - Director

30th June 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

The directors present their report with the financial statements of the company for the year ended 30th September 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the management portfolio of investment properties and stock market investments.

DIVIDENDS

The total distribution of dividends for the year ended 30th September 2021 will be £22,071,980. This is a dividend in specie facilitating the transfer of the trading assets to the Holding company.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st October 2020 to the date of this report.

J D Callow
Mrs A M Callow
Mrs H L Needham
J Callow

STREAMLINED ENERGY AND CARBON REPORTING

The company consumes less than 40,000kWh of energy each year, therefore energy efficiency disclosures under the Streamlined Energy and Carbon Reporting regulations ("SECR") are not disclosed.

DISCLOSURE IN THE STRATEGIC REPORT

The business review, financial key performance indicators and financial management risk objectives are included in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

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

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

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

ON BEHALF OF THE BOARD:

J Callow - Director

30th June 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HINGLEY & CALLOW INVESTMENTS LIMITED

Opinion

We have audited the financial statements of Hingley & Callow Investments Limited (the 'company') for the year ended 30th September 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, 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 30th September 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HINGLEY & CALLOW INVESTMENTS LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HINGLEY & CALLOW INVESTMENTS LIMITED

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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:

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HINGLEY & CALLOW INVESTMENTS LIMITED

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 a Report of the Auditors 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.

Stephen B Ludlam (Senior Statutory Auditor)
for and on behalf of French Ludlam & Co Limited
Statutory Auditors and Accountants
Mountfield House
661 High Street
Kingswinford
West Midlands
DY6 8AL

30th June 2022

**STATEMENT OF COMPREHENSIVE
INCOME
FOR THE YEAR ENDED 30TH SEPTEMBER 2021**

		Year Ended 30.9.21		Period 1.7.19 to 30.9.20	
	Notes	£	£	£	£
TURNOVER	3	-	-	67,779,132	
Cost of sales		-	-	57,968,422	
GROSS PROFIT		-	-	9,810,710	
Distribution costs		-	-	1,829,313	
Administrative expenses		12,887		5,793,901	
			12,887		7,623,214
			(12,887)		2,187,496
Other operating income	4	7,642,342		377,469	
		7,629,455		2,564,965	
Profit on sale of investments	6	18,472		19,144	
		7,647,927		2,584,109	
Interest receivable and similar income		7,916		100,105	
		7,655,843		2,684,214	
Interest payable and similar expenses	7	-		41,275	
PROFIT BEFORE TAXATION	8	7,655,843		2,642,939	
Tax on profit	9	(33,992)		536,428	
PROFIT FOR THE FINANCIAL YEAR		7,689,835		2,106,511	
OTHER COMPREHENSIVE INCOME		-		-	
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		7,689,835		2,106,511	

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
30TH SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	11	-	-	3	
Tangible assets	12	-	-	5,136,262	
Investments	13	-	-	19,000	
Investment property	14	<u>7,993,467</u>		<u>8,825,888</u>	
		7,993,467		13,981,153	
CURRENT ASSETS					
Stocks	15	-	-	1,108,854	
Debtors	16	10,982		3,273,924	
Investments	17	465,342		390,223	
Cash at bank and in hand		<u>8,210</u>		<u>12,409,485</u>	
		484,534		17,182,486	
CREDITORS					
Amounts falling due within one year	18	<u>371,524</u>		<u>8,276,288</u>	
NET CURRENT ASSETS			113,010		8,906,198
TOTAL ASSETS LESS CURRENT LIABILITIES			8,106,477		22,887,351
PROVISIONS FOR LIABILITIES	21		<u>-</u>		<u>398,729</u>
NET ASSETS			<u>8,106,477</u>		<u>22,488,622</u>
CAPITAL AND RESERVES					
Called up share capital	22	2,000		2,000	
Non distributable reserves	23	1,436,622		2,612,267	
Retained earnings	23	<u>6,667,855</u>		<u>19,874,355</u>	
SHAREHOLDERS' FUNDS			<u>8,106,477</u>		<u>22,488,622</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30th June 2022 and were signed on its behalf by:

J Callow - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

	Called up share capital £	Retained earnings £	Non distributable reserves £	Total equity £
Balance at 1st July 2019	2,000	17,750,482	2,629,629	20,382,111
Changes in equity				
Total comprehensive income	-	2,123,873	(17,362)	2,106,511
Balance at 30th September 2020	<u>2,000</u>	<u>19,874,355</u>	<u>2,612,267</u>	<u>22,488,622</u>
Changes in equity				
Dividends	-	(22,071,980)	-	(22,071,980)
Total comprehensive income	-	8,865,480	(1,175,645)	7,689,835
Balance at 30th September 2021	<u>2,000</u>	<u>6,667,855</u>	<u>1,436,622</u>	<u>8,106,477</u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

		Year Ended	Period
		30.9.21	1.7.19
		£	to
	Notes		30.9.20
			£
Cash flows from operating activities			
Cash generated from operations	1	996,550	3,961,918
Interest paid		-	(45,982)
Tax paid		(444,006)	(246,764)
Net cash from operating activities		<u>552,544</u>	<u>3,669,172</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(1,725,465)
Purchase of fixed asset investments		-	(19,000)
Purchase of investment property		(638,019)	(469,043)
Sale of tangible fixed assets		-	64,647
Purchase of current asset investments		(262,183)	(357,490)
Sale of current asset investments		260,114	352,051
Interest received		576	88,506
Dividends received		<u>7,340</u>	<u>11,599</u>
Net cash from investing activities		<u>(632,172)</u>	<u>(2,054,195)</u>
Cash flows from financing activities			
Amount introduced by directors		-	1,813,381
Amount withdrawn by directors		-	(1,526,868)
Government grants received		-	61,375
Equity dividends paid		(12,321,647)	-
Net cash from financing activities		<u>(12,321,647)</u>	<u>347,888</u>
(Decrease)/increase in cash and cash equivalents		<u>(12,401,275)</u>	<u>1,962,865</u>
Cash and cash equivalents at beginning of year	2	<u>12,409,485</u>	<u>10,446,620</u>
Cash and cash equivalents at end of year	2	<u><u>8,210</u></u>	<u><u>12,409,485</u></u>

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Profit before taxation	7,655,843	2,642,939
Depreciation charges	-	988,916
Profit on disposal of fixed assets	(7,338,378)	(12,146)
Fair value adjustments	(54,578)	17,362
Profit on sale of investments	(18,472)	(19,144)
Government grants	-	(61,375)
Finance costs	-	41,275
Finance income	(7,916)	(100,105)
	<u>236,499</u>	<u>3,497,722</u>
Decrease in stocks	-	314,047
Decrease in trade and other debtors	4,517	181,954
Increase/(decrease) in trade and other creditors	<u>755,534</u>	<u>(31,805)</u>
Cash generated from operations	<u>996,550</u>	<u>3,961,918</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30th September 2021

	30.9.21 £	1.10.20 £
Cash and cash equivalents	<u>8,210</u>	<u>12,409,485</u>

Period ended 30th September 2020

	30.9.20 £	1.7.19 £
Cash and cash equivalents	<u>12,409,485</u>	<u>10,446,620</u>

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank and in hand	12,409,485	(12,401,275)	8,210
	<u>12,409,485</u>	<u>(12,401,275)</u>	<u>8,210</u>
Liquid resources			
Current asset investments	390,223	75,119	465,342
	<u>390,223</u>	<u>75,119</u>	<u>465,342</u>
Total	<u>12,799,708</u>	<u>(12,326,156)</u>	<u>473,552</u>

4. **MAJOR NON-CASH TRANSACTIONS**

On 1st October 2020 the company paid to its holding company a dividend in specie of £14,733,602, together with a dividend of £7,338,381 in respect of goodwill. Only the cash element of £12,321,647 of these dividends has been included in the cashflow statement. The remaining £9,750,333 is represented by the assets and liabilities transferred between the companies.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

1. STATUTORY INFORMATION

Hingley & Callow Investments Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The comparative accounting period has been extended to cover the 15 month period to 30th September 2020. The increase has been made to accommodate the restructuring of the company.

Significant judgements and estimates

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities income and expenses.

The estimates and associated assumptions are based on historic experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The judgements, estimates and assumptions which have significant risk of material adjustment to the carrying amount of assets and liabilities are:

(a) Depreciation of tangible fixed assets - tangible fixed assets, other than freehold land and buildings, are depreciated over their useful economic lives, taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

(b) Valuation of investment properties - the directors review the valuation of the properties at each balance sheet date based on their knowledge of the market at that time and historical experience. The valuations may vary depending on a number of external factors.

(c) Debtor provisions - The company has recognised provisions against specific trade debtor balances. The judgements and estimates necessary to calculate these provisions are based on historical experience and other reasonable factors. This provision is based on the age of the debtor balance and the assessed risk of recoverability. The value of trade debtors in note 15 is net of the provision for doubtful debts.

(d) Obsolete stock - obsolete stocks are written off and removed from the stock records when identified.

Revenue

Revenue from the sale of goods is recognised when the company has transferred the significant risks and rewards of ownership to the buyer and it is probable that the company will receive the previously agreed upon payment. Revenue is shown net of discounts, rebates, value added tax and other sales taxes.

Revenue is recognised at the point that the goods are delivered to or collected by the customer.

Other operating income

Other operating income represents rental income, investment income and other income. Income is recognised in accordance with the period to which it relates.

Goodwill and single farm payment entitlements

Goodwill, being the amount paid in connection with the acquisition of two businesses, has been amortised in full over its estimated useful economic life.

Single Farm Payment entitlements have been amortised evenly over their estimated useful life.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Long leasehold	- over the period of the lease
Short leasehold	- 10% on cost
Plant and machinery	- 10% on cost and 10% on reducing balance
Motor vehicles	- 33% on reducing balance

No depreciation has been charged on freehold property as the estimated remaining useful economic life of the properties exceeds 50 years and a continuous policy of renewal and maintenance is undertaken. A full review of the impairment of freehold property has been completed at the end of the accounting period with no adjustments being considered necessary to the value at which these properties are shown in the financial statements. Land is not depreciated.

Impairment of assets

At each reporting date assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is immediately recognised in profit or loss.

If an impairment loss subsequently reverses, the carrying value of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal in an impairment loss is recognised immediately in profit or loss.

Investment property

Investment properties, for which the fair value can be measured reliably without undue cost or effort, are measured at fair value at each reporting date, with changes to fair value being recognised in profit or loss.

Investments

Investments comprise investments in quoted shares and a debenture, which are measured at fair value. Changes in fair value are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Stocks

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

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 sell. The impairment loss is recognised immediately in profit or loss.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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 3 months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

2. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The company operated two pension schemes, a self administered scheme (assets held in independently administered funds) for the directors, and an automatic enrolment scheme for the employees. Contributions payable for the year were charged in the profit and loss account.

Provisions for liabilities

Provisions are recognised where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by 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 company 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.

Operating leases

Gross earnings from operating leases are recognised in the profit and loss account on a straight line basis over the period of each lease. Any direct costs in arranging the leases are charged to the profit and loss account in the period in which they are incurred.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

3. TURNOVER

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

An analysis of turnover by class of business for the period ended 30th September 2020 is given below:

	£
Fuel distribution	58,466,135
Petrol filling stations	9,306,458
Farming	6,539
	<u>67,779,132</u>

This analysis is not considered to be applicable to the year ended 30th September 2021.

4. OTHER OPERATING INCOME

	Year Ended 30.9.21	Period 1.7.19 to 30.9.20
	£	£
Rents received	249,386	314,846
Solar generation income	-	18,610
Changes in fair value of investments	54,578	(17,362)
Government grants	-	61,375
Profit on sale of intangible fixed assets	7,338,378	-
	<u>7,642,342</u>	<u>377,469</u>

Other operating income includes Government grants received of £nil (2020: £61,375). With regard to the comparative figures £11,375 was received under the Job Retention Scheme and £50,000 under the Covid Business Support Scheme.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

5. EMPLOYEES AND DIRECTORS

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Wages and salaries	-	3,957,996
Social security costs	-	437,839
Other pension costs	-	70,024
	<u>-</u>	<u>4,465,859</u>

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

	Year Ended 30.9.21	Period 1.7.19 to 30.9.20
Administration	4	18
Sales and distribution	-	70
Works	-	3
	<u>4</u>	<u>91</u>

The company operated two pension schemes, a self administered scheme for the directors and an automatic enrolment scheme for the benefit of the employees. These schemes are now operated by Hingley & Callow Oils Limited. The assets of the schemes are administered by independent pension providers. Pension payments recognised as an expense during the period amount to £nil (2020: £70,024).

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Directors' remuneration	-	1,662,514
Directors' pension contributions to money purchase schemes	<u>-</u>	<u>20,254</u>

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

Money purchase schemes	<u>-</u>	<u>2</u>
------------------------	----------	----------

6. EXCEPTIONAL ITEMS

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Profit on sale of investments	<u>18,472</u>	<u>19,144</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Bank interest	-	8
Other interest	-	41,267
	<u>-</u>	<u>41,275</u>

8. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Operating lease income	-	(314,846)
Depreciation - owned assets	-	988,916
Profit on disposal of fixed assets	(7,338,378)	(12,146)
Auditors' remuneration	5,000	39,000
Auditors' remuneration for non audit work	-	48,539
Taxation compliance services	-	2,900
Operating lease rentals - land and buildings	-	9,300
Changes in fair value of investments	54,578	17,362
Defined benefit pension contributions	<u>-</u>	<u>70,024</u>

9. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Current tax:		
UK corporation tax	48,693	444,050
Deferred tax	<u>(82,685)</u>	<u>92,378</u>
Tax on profit	<u>(33,992)</u>	<u>536,428</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021**9. TAXATION - continued****Reconciliation of total tax (credit)/charge included in profit and loss**

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

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Profit before tax	<u>7,655,843</u>	<u>2,642,939</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,454,610	502,158
Effects of:		
Expenses not deductible for tax purposes	183	34,336
Income not taxable for tax purposes	(1,395,687)	(3,446)
Depreciation in excess of capital allowances	-	81
Adjustments to tax charge in respect of previous periods rates	(44)	-
Gains and losses in fair value adjustments	(10,370)	3,299
Investment property fair value adjustments	(82,684)	-
Total tax (credit)/charge	<u>(33,992)</u>	<u>536,428</u>

Factors that may affect future tax charges

A change in the tax rate was announced in the Budget on 3rd March 2021, whereby companies with taxable profits over £250,000 will be subject to corporation tax at a rate of 25% from 1st April 2023. This will increase the Company's tax charge accordingly.

10. DIVIDENDS

	Year Ended 30.9.21 £	Period 1.7.19 to 30.9.20 £
Final	<u>22,071,980</u>	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

11. INTANGIBLE FIXED ASSETS

	Goodwill £	Single Farm Payment entitlements £	Totals £
COST			
At 1st October 2020	994,735	3,548	998,283
Disposals	(994,735)	(3,548)	(998,283)
At 30th September 2021	-	-	-
AMORTISATION			
At 1st October 2020	994,733	3,547	998,280
Eliminated on disposal	(994,733)	(3,547)	(998,280)
At 30th September 2021	-	-	-
NET BOOK VALUE			
At 30th September 2021	-	-	-
At 30th September 2020	2	1	3

12. TANGIBLE FIXED ASSETS

	Freehold property £	Long leasehold £	Short leasehold £
COST			
At 1st October 2020	1,085,467	689,860	191,030
Disposals	(1,085,467)	(689,860)	(191,030)
At 30th September 2021	-	-	-
DEPRECIATION			
At 1st October 2020	-	7,037	191,030
Eliminated on disposal	-	(7,037)	(191,030)
At 30th September 2021	-	-	-
NET BOOK VALUE			
At 30th September 2021	-	-	-
At 30th September 2020	1,085,467	682,823	-

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

12. TANGIBLE FIXED ASSETS - continued

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1st October 2020	7,041,440	4,515,873	13,523,670
Disposals	(7,041,440)	(4,515,873)	(13,523,670)
At 30th September 2021	-	-	-
DEPRECIATION			
At 1st October 2020	4,753,559	3,435,782	8,387,408
Eliminated on disposal	(4,753,559)	(3,435,782)	(8,387,408)
At 30th September 2021	-	-	-
NET BOOK VALUE			
At 30th September 2021	-	-	-
At 30th September 2020	2,287,881	1,080,091	5,136,262

Tangible fixed assets with a carrying value of £nil (2020: £1,085,467) are pledged as security for the company's banking and credit facilities.

13. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2021 £	2020 £
Debentures	-	19,000

14. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1st October 2020	8,825,888
Additions	638,019
Disposals	(1,470,440)
At 30th September 2021	7,993,467
NET BOOK VALUE	
At 30th September 2021	7,993,467
At 30th September 2020	8,825,888

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

14. INVESTMENT PROPERTY - continued

Fair value at 30th September 2021 is represented by:

	£
Valuation in 2005	142,391
Valuation in 2006	333,463
Valuation in 2008	75,965
Valuation in 2009	(4,024)
Valuation in 2011	115,324
Valuation in 2012	416,965
Valuation in 2013	446,269
Valuation in 2015	(387,092)
Valuation in 2016	324,365
Valuation in 2017	27,007
Cost	<u>6,502,834</u>
	<u>7,993,467</u>

If the investment properties had not been revalued they would have been included at the following historical cost:

	2021	2020
	£	£
Cost	<u>6,502,834</u>	<u>6,159,608</u>

The investment properties were valued on an open market basis on 30th September 2021 by the directors of the company .

15. STOCKS

	2021	2020
	£	£
Fuels, oils and lubricants	-	1,053,965
Confectionery and provisions	-	54,889
	<u>-</u>	<u>1,108,854</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	-	2,786,914
Other debtors	250	26,305
VAT	-	305,286
Prepayments	<u>10,732</u>	<u>155,419</u>
	<u>10,982</u>	<u>3,273,924</u>

17. CURRENT ASSET INVESTMENTS

	2021	2020
	£	£
Listed investments	<u>465,342</u>	<u>390,223</u>
Market value of listed investments at 30th September 2021 - £ 465,342 (2020 - £ 390,223).		

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	-	5,375,809
Tax	48,737	444,050
Social security and other taxes	-	809,039
VAT	2,376	-
Other creditors	308,853	16,796
Directors' current accounts	-	1,280,694
Accrued expenses	11,558	349,900
	<u>371,524</u>	<u>8,276,288</u>

19. LEASING AGREEMENTS

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

	2021	2020
	£	£
Within one year	<u>-</u>	<u>2,300</u>

20. SECURED DEBTS

Bank borrowings were secured by a legal charge over certain of the company's land and buildings along with a fixed and floating charge over the other assets of the company. This charge was satisfied during the year.

21. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	-	316,044
Capital gain on revaluation	-	82,685
	<u>-</u>	<u>398,729</u>

**Deferred
tax**

	£
Balance at 1st October 2020	398,729
Credit to Statement of Comprehensive Income during year	(82,685)
Transferred to group company	<u>(316,044)</u>
Balance at 30th September 2021	<u>-</u>

22. CALLED UP SHARE CAPITAL

Allotted and issued:

Number:	Class:	Nominal value:	2021	2020
			£	£
2,000	Ordinary	£1	<u>2,000</u>	<u>2,000</u>

Each £1 ordinary share carries one voting right.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

23. RESERVES

	Retained earnings £	Non distributable reserves £	Totals £
At 1st October 2020	19,874,355	2,612,267	22,486,622
Profit for the year	7,689,835		7,689,835
Dividends	(22,071,980)		(22,071,980)
Transfer from non distributable reserve	1,175,645	(1,175,645)	-
At 30th September 2021	<u>6,667,855</u>	<u>1,436,622</u>	<u>8,104,477</u>

Called up share capital - represents the nominal value of shares that have been issued.

Retained Earnings - includes all current and prior period retained profits and losses.

Non distributable reserve - includes reserves that are not distributable to shareholders.

24. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

J D Callow and Mrs A M Callow

The company paid Mr and Mrs Callow interest of £nil (2020: £32,891) on their directors loan account during the period. This was calculated at 4% above bank base rates.

	2021	2020
£ £		
Amount due to related party at balance sheet date	<u>-</u>	<u>564,513</u>

Mrs H L Needham

The company paid Mrs Needham interest of £nil (2020: £105) on her directors loan account during the period. This was calculated at 4% above bank base rates.

	2021	2020
£ £		
Amount due to related party at balance sheet date	<u>-</u>	<u>278,674</u>

J Callow

The company paid Mr Callow interest of £nil (2020: £8,271) on his directors loan account during the period. This was calculated at 4% above bank base rates.

	2021	2020
£ £		
Amount due to related party at balance sheet date	<u>-</u>	<u>437,506</u>

25. RELATED PARTY DISCLOSURES

At 30th September 2021 the company owed its former holding company Hingley & Callow Oils Limited £303,653 (2020 £nil). The balance has arisen as a consequence of the restructure of the group. This company is owned by the directors Mr J D Callow and Mrs A M Callow.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30TH SEPTEMBER 2021

26. ULTIMATE CONTROLLING PARTY

The Company is a wholly owned subsidiary of Hingley and Callow Investment Holdings Limited. The entire share capital with voting rights of Hingley & Callow Investment Holdings Limited is held by The James Callow 1996 Discretionary Settlement.

The registered address for both Hingley & Callow Oils Limited and Hingley & Callow Investment Holdings Limited is Severn House, Sandy Lane Industrial Estate, Stourport-on-Severn DY13 9QB. Financial statements for both these companies are available at Companies House, Crown Way, Cardiff CF14 3UZ.

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.