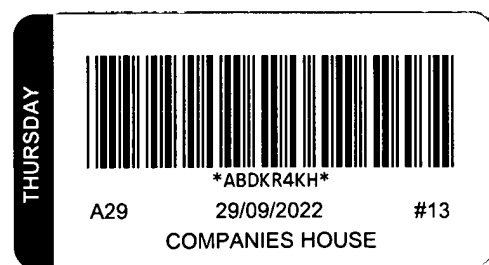


**COMPANY REGISTRATION NUMBER: 01410752**

**AHREND LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2021**

**UHY HACKER YOUNG (S.E.) LIMITED**

Chartered accountants & statutory auditor  
168 Church Road  
Hove  
East Sussex  
BN3 2DL



# **AHREND LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2021**

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## **AHREND LIMITED**

### **OFFICERS AND PROFESSIONAL ADVISERS**

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**The board of directors**

Mr P J Lintott  
Ms A J Stuij  
Mr J A Van Der Kolk  
Mr W H Sterken

**Registered office**

17 Charterhouse Buildings  
London  
England  
EC1M 7AP

**Auditor**

UHY Hacker Young (S.E.) Limited  
Chartered accountants & statutory auditor  
168 Church Road  
Hove  
East Sussex  
BN3 2DL

## **AHREND LIMITED**

### **STRATEGIC REPORT**

#### **YEAR ENDED 31 DECEMBER 2021**

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The principal activity of the company during the year was the supply, installation and maintenance of quality office furniture, filing and seating.

The commercial office furniture market remained a challenging marketplace during the year and the company's main focus during the year has been to continue maintaining and growing the business where possible. The company has considerable financial resources and as a consequence, the directors believe that it is well placed to manage its business risks successfully despite the current uncertain economic outlook.

#### **The company's development during the year**

During the year the company continued to maintain and expand its range of product lines.

#### **The company's performance**

Turnover for the company was £5,358,507 (2020 - £6,339,159).

Turnover is a key performance indicator for our business as it measures the total output of the business at the prices we are able to charge our customers. Turnover has fallen in the year as a result of the Covid 19 pandemic and the consequences of Brexit. Another key performance indicator is the gross margin we achieve on our sales. This has risen to 39% (2020: 17%). The company's directors are of the opinion that there are no non-financial key performance indicators that are relevant for an understanding of the company's performance during the year. In all cases the KPIs used have been calculated on a consistent basis with the 2020 figures and are based directly on the amounts shown in the financial statements.

Our primary financial risk management objective is to ensure sufficient working capital for the company. This is achieved by careful management of our cash balances. The main risks facing the company include currency risk, credit risk and liquidity risk.

#### **Currency risk**

The company's activities expose it to the financial risks of changes in foreign currency exchange rates, primarily in Euros. The company manages this risk by seeking to match its foreign currency assets and cash flows whenever possible.

#### **Credit risk**

The company's principal financial assets are trade debtors. The amounts presented in the financial statements are net of allowances for doubtful receivables and credit notes. An allowance for impairment is made when there is an identified event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The credit risk on trade debtor balances is mitigated by the company's credit control policies.

#### **Liquidity risk**

The company manages liquidity risk by reviewing the future net cash requirements of the business and by holding cash balances to fund future requirements. The company also had access to a cash pool with other group companies throughout the period.

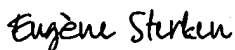
## **AHREND LIMITED**

### **STRATEGIC REPORT** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

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This report was approved by the board of directors on 26 July 2022 and signed on behalf of the board by:

DocuSigned by:  
  
33CD885EC9B14CE...

Mr W H Sterken  
Director

Registered office:  
17 Charterhouse Buildings  
London  
England  
EC1M 7AP

## **AHREND LIMITED**

### **DIRECTORS' REPORT**

#### **YEAR ENDED 31 DECEMBER 2021**

---

The directors present their report and the financial statements of the company for the year ended 31 December 2021.

#### **Directors**

The directors who served the company during the year were as follows:

Mr P J Lintott  
Ms A J Stuij  
Mr W H Sterken

#### **Dividends**

The directors do not recommend the payment of a dividend.

#### **Future developments**

The company will continue to act as a supplier of quality office furniture.

#### **Disclosure of information in the strategic report**

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

## AHREND LIMITED

### DIRECTORS' REPORT *(continued)*

#### YEAR ENDED 31 DECEMBER 2021

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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.

#### Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board of directors on 26 July 2022 and signed on behalf of the board by:

DocuSigned by:  
  
33CD885EC9B14CE...

Mr W H Sterken  
Director

Registered office:  
17 Charterhouse Buildings  
London  
England  
EC1M 7AP

## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED YEAR ENDED 31 DECEMBER 2021**

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#### **Opinion**

We have audited the financial statements of Ahrend Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of comprehensive income, statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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.



## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED** *(continued)*

**YEAR ENDED 31 DECEMBER 2021**

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

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

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the period for which the financial statements are prepared is consistent with the financial statements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

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##### **Responsibilities of directors**

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

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

## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED** (continued)

**YEAR ENDED 31 DECEMBER 2021**

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#### **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 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:

Based on our understanding of the Company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the Company which were contrary to applicable laws and regulations including fraud and we considered the extent to which noncompliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, review of correspondence with legal advisors, enquiries of management and in so far as they related to the financial statements, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed noncompliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

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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 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.

## **AHREND LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AHREND LIMITED** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

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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.


#### **Use of our report**

This report is made solely to the company's member, 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 member 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 member as a body, for our audit work, for this report, or for the opinions we have formed.

David Guest FCA (Senior Statutory Auditor)

For and on behalf of  
UHY Hacker Young (S.E.) Limited  
Chartered accountants & statutory auditor  
168 Church Road  
Hove  
East Sussex  
BN3 2DL

26 July 2022

A large, stylized handwritten signature in black ink, likely belonging to David Guest, is written over a horizontal line.

**AHREND LIMITED****STATEMENT OF COMPREHENSIVE INCOME****YEAR ENDED 31 DECEMBER 2021**


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	Note	2021 £	2020 £
<b>Turnover</b>	<b>4</b>	<b>5,358,507</b>	6,339,159
Cost of sales		<u>3,288,058</u>	<u>5,261,699</u>
<b>Gross profit</b>		<b>2,070,449</b>	1,077,460
Administrative expenses		<u>1,737,393</u>	<u>1,871,376</u>
<b>Operating profit/(loss)</b>	<b>5</b>	<b>333,056</b>	(793,916)
Other interest receivable and similar income	<b>9</b>	<u>31,780</u>	<u>37,575</u>
<b>Profit/(loss) before taxation</b>		<b>364,836</b>	(756,341)
Tax on profit/(loss)	<b>10</b>	<u>–</u>	<u>100,000</u>
<b>Profit/(loss) for the financial year and total comprehensive income</b>		<b><u>364,836</u></b>	<b><u>(856,341)</u></b>


All the activities of the company are from continuing operations.

The notes on pages 15 to 23 form part of these financial statements.

**AHREND LIMITED****STATEMENT OF FINANCIAL POSITION****31 DECEMBER 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	11	822	1,644
<b>Current assets</b>			
Stocks	12	107,664	78,178
Debtors	13	7,119,653	6,654,517
Cash at bank and in hand		770	770
		<u>7,228,087</u>	<u>6,733,465</u>
<b>Creditors: amounts falling due within one year</b>	14	<u>4,495,275</u>	<u>4,366,311</u>
<b>Net current assets</b>		<u>2,732,812</u>	<u>2,367,154</u>
<b>Total assets less current liabilities</b>		<u>2,733,634</u>	<u>2,368,798</u>
<b>Net assets</b>		<u>2,733,634</u>	<u>2,368,798</u>
<b>Capital and reserves</b>			
Called up share capital	16	4,550,000	4,550,000
Profit and loss account	17	(1,816,366)	(2,181,202)
<b>Shareholder funds</b>		<u>2,733,634</u>	<u>2,368,798</u>

These financial statements were approved by the board of directors and authorised for issue on 26 July 2022, and are signed on behalf of the board by:

DocuSigned by:  
  
 33CD885EC9B14CE...  
 Mr W H Sterken  
 Director

Company registration number: 01410752

The notes on pages 15 to 23 form part of these financial statements.

**AHREND LIMITED****STATEMENT OF CHANGES IN EQUITY****YEAR ENDED 31 DECEMBER 2021**


---

	Called up share capital £	Profit and loss account £	Total £
<b>At 1 January 2020</b>	4,550,000	(1,324,861)	3,225,139
Loss for the year		(856,341)	(856,341)
<b>Total comprehensive income for the year</b>	–	(856,341)	(856,341)
<b>At 31 December 2020</b>	4,550,000	(2,181,202)	<b>2,368,798</b>
Profit for the year		364,836	<b>364,836</b>
<b>Total comprehensive income for the year</b>	–	364,836	<b>364,836</b>
<b>At 31 December 2021</b>	<u>4,550,000</u>	<u>(1,816,366)</u>	<u><b>2,733,634</b></u>

The notes on pages 15 to 23 form part of these financial statements.



# **AHREND LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

### **YEAR ENDED 31 DECEMBER 2021**

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#### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 17 Charterhouse Buildings, London, England, EC1M 7AP.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going concern**

The financial statements have been prepared under the going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this assumption depends upon the continuing support of the creditors and on funding from other external sources. If the company were unable to continue in operational existence for the foreseeable future, adjustment would have to be made to reduce the balance sheet values of the assets to their recoverable amounts, and to provide for further liabilities that might arise.

The director considers that the uncertainty caused in the company's industry as a result of coronavirus and the restrictions put in place by the government should not materially affect the company's ability to continue as a going concern.

The company has taken advantage of the support packages offered by the government and will continue to review and monitor costs.

##### **Disclosure exemptions**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 102.

## **AHREND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

---

#### **3. Accounting policies** *(continued)*

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Significant judgements**

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

##### **Impairment of Stocks**

The company holds a substantial amount of stocks at the financial year end date. The directors are of the view that an adequate charge has been made to reflect the possibility of stocks being sold at less than cost. However this estimate is subject to inherent uncertainty.

##### **Useful lives of Tangible Fixed Assets**

Long-lived assets represent a significant proportion of total assets. The annual depreciation and amortisation charge depends on the estimated lives of each type of asset and, in certain circumstances, estimates of residual values. The directors regularly review these useful economic lives and change them if necessary to reflect current conditions. In determining these useful lives management consider technological change, pattern of consumption, physical condition and expected economic utilisation of the assets. Changes in the useful lives can have a significant impact on the depreciation and amortisation charge for the financial year.

##### **Impairment of Assets**

An impairment provision is charged to reduce the carrying value of specific assets to the recoverable amount where impairment is considered to have occurred. Where the recoverable amount is greater than the carrying value no adjustment is made. The recoverable amount is the higher of the net realisable value and the value in use. Net realisable value is the amount at which an asset could be disposed of less any direct selling costs, and value in use is the present value of future cash flows obtainable as a result of the continued use of assets, including those resulting from an ultimate disposal.

##### **Revenue recognition**

Turnover shown in the profit and loss account represents sales of office furniture and installation costs exclusive of Value Added Tax. Turnover is recognised when goods are physically delivered to the customer.

##### **Income tax**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

## AHREND LIMITED

### NOTES TO THE FINANCIAL STATEMENTS *(continued)*

#### YEAR ENDED 31 DECEMBER 2021

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#### 3. Accounting policies *(continued)*

##### **Income tax** *(continued)*

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

##### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

##### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 20% straight line
-----------------------	---------------------

**AHREND LIMITED****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 DECEMBER 2021**

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**3. Accounting policies** *(continued)***Impairment of fixed assets**

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

**Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost.

**Defined contribution plans**

The pension costs charged in the financial statements represent the contributions payable by the company during the year.

**4. Turnover**

Turnover arises from:

	2021	2020
	£	£
Sale of goods	<u>5,358,507</u>	<u>6,339,159</u>

**AHREND LIMITED****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 DECEMBER 2021****4. Turnover** *(continued)*

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2021	2020
	£	£
United Kingdom	4,834,918	6,198,712
Overseas	523,589	140,447
	<u>5,358,507</u>	<u>6,339,159</u>

**5. Operating profit**

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Depreciation of tangible assets	822	16,155
Impairment of trade debtors	<u>(38,964)</u>	<u>(97,392)</u>

**6. Auditor's remuneration**

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>5,000</u>	<u>—</u>

**7. Staff costs**

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
	No.	No.
Directors	1	1
Selling	5	6
Administration	1	2
	<u>7</u>	<u>9</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	602,378	552,545
Social security costs	49,181	57,362
Other pension costs	10,836	12,471
	<u>662,395</u>	<u>622,378</u>

**AHREND LIMITED****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 DECEMBER 2021****8. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	154,207	206,934
Company contributions to defined contribution pension plans	4,408	4,390
	<u>158,615</u>	<u>211,324</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021	2020
	£	£
Aggregate remuneration	<u>154,207</u>	<u>206,934</u>

**9. Other interest receivable and similar income**

	2021	2020
	£	£
Interest from group undertakings	<u>31,780</u>	<u>37,575</u>

**10. Tax on profit/(loss)****Major components of tax expense**

	2021	2020
	£	£
<b>Deferred tax:</b>		
Origination and reversal of timing differences	<u>-</u>	<u>100,000</u>
<b>Tax on profit/(loss)</b>	<u>-</u>	<u>100,000</u>

**AHREND LIMITED****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 DECEMBER 2021****10. Tax on profit/(loss)** *(continued)***Reconciliation of tax expense**

The tax assessed on the profit/(loss) on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
Profit/(loss) on ordinary activities before taxation	<u>364,836</u>	<u>(756,341)</u>
Profit/(loss) on ordinary activities by rate of tax	(69,319)	(143,705)
Effect of expenses not deductible for tax purposes	1,166	1,512
Effect of capital allowances and depreciation	(1,672)	2,265
Utilisation of tax losses	69,825	–
Unused tax losses	–	139,928
Movement in deferred taxation	–	100,000
Tax on profit/(loss)	<u>–</u>	<u>100,000</u>

**11. Tangible assets**

	Fixtures and fittings £	Total £
<b>Cost</b>		
At 1 January 2021 and 31 December 2021	<u>106,329</u>	<u>106,329</u>
<b>Depreciation</b>		
At 1 January 2021	104,685	104,685
Charge for the year	822	822
At 31 December 2021	<u>105,507</u>	<u>105,507</u>
<b>Carrying amount</b>		
At 31 December 2021	<u>822</u>	<u>822</u>
At 31 December 2020	<u>1,644</u>	<u>1,644</u>

**12. Stocks**

	2021 £	2020 £
Finished goods and goods for resale	<u>107,664</u>	<u>78,178</u>

**AHREND LIMITED****NOTES TO THE FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 DECEMBER 2021****13. Debtors**

	2021	2020
	£	£
Trade debtors	1,900,591	406,377
Amounts owed by group undertakings	4,937,187	6,178,647
Prepayments and accrued income	281,875	69,493
	<u>7,119,653</u>	<u>6,654,517</u>

**14. Creditors: amounts falling due within one year**

	2021	2020
	£	£
Trade creditors	464,702	353,660
Amounts owed to group undertakings	3,194,587	3,182,632
Accruals and deferred income	707,729	396,537
Social security and other taxes	128,257	433,482
	<u>4,495,275</u>	<u>4,366,311</u>

**15. Employee benefits****Defined contribution plans**

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £10,836 (2020: £12,471).

**16. Called up share capital****Issued, called up and fully paid**

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>4,550,000</u>	<u>4,550,000</u>	<u>4,550,000</u>	<u>4,550,000</u>

**17. Reserves**

Profit and loss account - This reserve records retained earnings and accumulated losses.

**18. Operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	335,000	335,000
Later than 1 year and not later than 5 years	670,000	1,005,000
	<u>1,005,000</u>	<u>1,340,000</u>



## **AHREND LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS** *(continued)*

#### **YEAR ENDED 31 DECEMBER 2021**

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##### **19. Related party transactions**

The company has taken advantage of the exemption under Section 33 of FRS 102 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Koninklijke Ahrend B.V., whose accounts are publicly available.

##### **20. Controlling party**

The company is a subsidiary undertaking of Ahrend Holdings Limited, which is incorporated in the UK.

The ultimate parent entity and controlling party is HAL Trust, a trust based in the Dutch Antilles. The largest group in which the results are consolidated is headed by HAL Holding NV. The smallest group in which they are consolidated is that headed by Koninklijke Ahrend B.V., a company incorporated in the Netherlands. The consolidated accounts of HAL Holding NV are available to the public from PO Box 2007, 3000 CA Rotterdam, the consolidated accounts of Koninklijke Ahrend B.V. from PO Box 70, 1000 AB AB Amsterdam.