

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2021

FOR

A I D FUEL OILS LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

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A I D FUEL OILS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

DIRECTORS:

A W Whitehouse
T J W Whitehouse
I M Richards
Mrs R N Whitehouse
Mrs A M Whitehouse

SECRETARY:

T J W Whitehouse

REGISTERED OFFICE:

Cocksparrow Lane
Huntington
Cannock
West Midlands
WS12 4PB

REGISTERED NUMBER:

01445830 (England and Wales)

AUDITORS:

Crombies Accountants Limited
Chartered Accountants and Statutory Auditor
34 Waterloo Road
Wolverhampton
West Midlands
WV1 4DG

STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

REVIEW OF BUSINESS

The principal activity of the company is the supply of industrial and domestic fuel oils and lubricants and the marketing of fuel cards.

RESULTS AND PERFORMANCE

The results for the year show a profit before tax of £941,105 (2020: £1,128,232). A summary of the results of the years trading is given on page 10 of the accounts. The directors consider both the profit achieved on ordinary activities before taxation and the state of affairs of the company at 30th September 2021 to be satisfactory.

BUSINESS ENVIRONMENT

The company operates in a sector of the oil market subject to volatile price fluctuations, which can impact margins and profitability.

PRINCIPAL RISKS AND UNCERTAINTIES

The company would face a potential risk if there was to be any disruption to the supply chain of the oil market. The demand for fuels is also impacted directly by the winter conditions, in particular the demand for heating oil products. The assessment of credit risk in the commercial sector is also an underlying uncertainty within the business and the company operates a bad debt insurance policy in order to minimise the risk.

In addition, the on going impact of the Coronavirus will continue to have an effect on the business but the extent of this impact is difficult to evaluate at this point in time.

FINANCIAL KEY PERFORMANCE INDICATORS

The key performance indicators used by the directors in assessing the performance of the company revolves around the monthly margin and volume analysis, for each product sector, with the performance of the company reviewed at the monthly director's management meeting, to examine the results and take any corrective action needed to maximize growth in target sectors and enhance profitability. The sales compared with last year were £49 million (2020: £46.6 million) the increase a result in the rise in oil prices across the year, this rise had no impact on the profitability of the Company.

FUTURE DEVELOPMENTS

Although the UK economy has suffered as a result of the global pandemic, the risks to economic growth remain significant and future prospects may be influenced by developments in the Eurozone and the broader UK economy.

The level of profitability in the coming year will as always be partly dependent on the wholesale price of fuel, the severity of competition and the ability of the company to generate extra growth in target sectors, whilst retaining volumes in existing profitable areas.

Quality of staff is an important factor in terms of providing reliable products and service to existing customers and to enable the company to grow. It is AID Fuel Oils policy to ensure that it employs sufficient staff, adequately trained and of the right calibre to meet these requirements.

The company therefore has a strong basis for believing it will at least retain it's market position, maintain profitability at satisfactory levels and continue to generate cash through the forthcoming year.

ON BEHALF OF THE BOARD:

A I D FUEL OILS LIMITED (REGISTERED NUMBER: 01445830)

STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

T J W Whitehouse - Director

28 March 2022

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the supply of industrial and domestic fuel oils and lubricants.

DIVIDENDS

The profit for the year, after taxation amounted to £667,352 (2020: £959,590). A dividend of £NIL (2020: £NIL) has been voted during the year ended 30 September 2021.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 October 2020 to the date of this report.

The beneficial interests of the directors holding office at 30 September 2021 in the shares of the company, according to the register of directors' interests, were as follows:

	30.9.21	1.10.20
Ordinary Shares shares of £1 each		
A W Whitehouse	50,000	50,000
T J W Whitehouse	50,000	50,000
I M Richards	-	-
Mrs R N Whitehouse	-	-
Mrs A M Whitehouse	-	-

These directors did not hold any non-beneficial interests in the shares of the company.

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;
- 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.

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.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

AUDITORS

The auditors, Crombies Accountants Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

T J W Whitehouse - Director

28 March 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
A I D FUEL OILS LIMITED

Opinion

We have audited the financial statements of A I D Fuel Oils Limited (the 'company') for the year ended 30 September 2021 which comprise the Income Statement, Other 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 30 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
AID FUEL OILS 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
ATD FUEL OILS 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.

-the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

-we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the oil sector;

-we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;

-we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and

-identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

-making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and

-considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

-performed analytical procedures to identify any unusual or unexpected relationships;

-tested journal entries to identify unusual transactions;

-assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and

-investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

-agreeing financial statement disclosures to underlying supporting documentation;

-reading the minutes of meetings of those charged with governance;

-enquiring of management as to actual and potential litigation and claims; and

-reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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
AID FUEL OILS 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.

Jan Cattell FCA (Senior Statutory Auditor)
for and on behalf of Crombies Accountants Limited
Chartered Accountants and Statutory Auditor
34 Waterloo Road
Wolverhampton
West Midlands
WV1 4DG

28 March 2022

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
TURNOVER		49,017,480	46,648,030
Cost of sales		45,686,226	42,940,540
GROSS PROFIT		<u>3,331,254</u>	<u>3,707,490</u>
Administrative expenses		<u>2,525,648</u> 805,606	<u>2,699,141</u> 1,008,349
Other operating income		<u>110,629</u>	<u>101,613</u>
OPERATING PROFIT	4	<u>916,235</u>	<u>1,109,962</u>
Interest receivable and similar income		<u>28,419</u> 944,654	<u>21,375</u> 1,131,337
Interest payable and similar expenses	5	<u>3,549</u>	<u>3,105</u>
PROFIT BEFORE TAXATION		<u>941,105</u>	<u>1,128,232</u>
Tax on profit	6	<u>273,753</u>	<u>168,642</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>667,352</u></u>	<u><u>959,590</u></u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		667,352	959,590
OTHER COMPREHENSIVE INCOME			
Revaluation of investments		671,824	(265,903)
Income tax relating to other comprehensive income		<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		<u>671,824</u>	<u>(265,903)</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,339,176</u>	<u>693,687</u>

The notes form part of these financial statements

A I D FUEL OILS LIMITED (REGISTERED NUMBER: 01445830)**STATEMENT OF FINANCIAL POSITION**
30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	7		3,828,114		3,268,700
Investments	8		200		200
Investment property	9		100,000		100,000
			<u>3,928,314</u>		<u>3,368,900</u>
CURRENT ASSETS					
Stocks	10	585,058		570,043	
Debtors	11	3,966,477		2,481,584	
Investments	12	3,945,431		3,160,800	
Cash at bank and in hand		<u>2,511,717</u>		<u>2,665,704</u>	
		11,008,683		8,878,131	
CREDITORS					
Amounts falling due within one year	13	<u>6,743,247</u>		<u>5,696,263</u>	
NET CURRENT ASSETS			<u>4,265,436</u>		<u>3,181,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,193,750		6,550,768
CREDITORS					
Amounts falling due after more than one year	14		(177,276)		(93,470)
PROVISIONS FOR LIABILITIES	16		<u>(475,000)</u>		<u>(255,000)</u>
NET ASSETS			<u><u>7,541,474</u></u>		<u><u>6,202,298</u></u>
CAPITAL AND RESERVES					
Called up share capital	17		100,000		100,000
Fair value reserve	18		1,445,311		773,487
Retained earnings	18		<u>5,996,163</u>		<u>5,328,811</u>
SHAREHOLDERS' FUNDS			<u><u>7,541,474</u></u>		<u><u>6,202,298</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2022 and were signed on its behalf by:

T J W Whitehouse - Director

A W Whitehouse - Director

The notes form part of these financial statements

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

	Called up share capital £	Retained earnings £	Fair value reserve £	Total equity £
Balance at 1 October 2019	100,000	4,369,221	1,039,390	5,508,611
Changes in equity				
Total comprehensive income	-	959,590	(265,903)	693,687
Balance at 30 September 2020	<u>100,000</u>	<u>5,328,811</u>	<u>773,487</u>	<u>6,202,298</u>
Changes in equity				
Total comprehensive income	-	667,352	671,824	1,339,176
Balance at 30 September 2021	<u>100,000</u>	<u>5,996,163</u>	<u>1,445,311</u>	<u>7,541,474</u>

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	1,385,099	1,222,047
Interest element of hire purchase payments paid		(3,549)	(3,105)
Revaluation of current asset investment		(112,808)	301,098
Tax paid		(203,642)	(92,392)
Net cash from operating activities		<u>1,065,100</u>	<u>1,427,648</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(905,119)	(264,274)
Sale of tangible fixed assets		6,075	11,000
Sale of fixed asset investments		84,404	(198,447)
Interest received		28,419	22,396
Net cash from investing activities		<u>(786,221)</u>	<u>(429,325)</u>
Cash flows from financing activities			
Capital repayments in year		136,133	93,955
Amount introduced by directors		2	147
Amount withdrawn by directors		(569,001)	(150,000)
Net cash from financing activities		<u>(432,866)</u>	<u>(55,898)</u>
(Decrease)/increase in cash and cash equivalents		<u>(153,987)</u>	<u>942,425</u>
Cash and cash equivalents at beginning of year	2	2,665,704	1,723,279
Cash and cash equivalents at end of year	2	<u>2,511,717</u>	<u>2,665,704</u>

The notes form part of these financial statements

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

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

	2021	2020
	£	£
Profit before taxation	941,105	1,128,232
Depreciation charges	316,902	215,809
(Profit)/loss on disposal of fixed assets	(61,675)	19,898
Finance costs	3,549	3,105
Finance income	<u>(28,419)</u>	<u>(21,375)</u>
	1,171,462	1,345,669
(Increase)/decrease in stocks	(15,015)	178,520
(Increase)/decrease in trade and other debtors	(1,484,893)	1,421,658
Increase/(decrease) in trade and other creditors	<u>1,713,545</u>	<u>(1,723,800)</u>
Cash generated from operations	<u><u>1,385,099</u></u>	<u><u>1,222,047</u></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 30 September 2021

	30.9.21	1.10.20
	£	£
Cash and cash equivalents	<u>2,511,717</u>	<u>2,665,704</u>

Year ended 30 September 2020

	30.9.20	1.10.19
	£	£
Cash and cash equivalents	<u><u>2,665,704</u></u>	<u><u>1,723,279</u></u>

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 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	2,665,704	(153,987)	2,511,717
	<u>2,665,704</u>	<u>(153,987)</u>	<u>2,511,717</u>
Liquid resources			
Current asset investments	3,160,800	784,631	3,945,431
	<u>3,160,800</u>	<u>784,631</u>	<u>3,945,431</u>
Debt			
Finance leases	(206,747)	(136,133)	(342,880)
	<u>(206,747)</u>	<u>(136,133)</u>	<u>(342,880)</u>
Total	<u>5,619,757</u>	<u>494,511</u>	<u>6,114,268</u>

The notes form part of these financial statements

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

1. STATUTORY INFORMATION

A I D Fuel Oils 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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 preparation of financial statements in compliance with FRS102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies. (See later note)

Preparation of consolidated financial statements

The financial statements contain information about A I D Fuel Oils Limited as an individual company and do not contain consolidated financial information as the parent of a group. The directors consider that the activities of the subsidiary company are immaterial and have therefore taken advantage of the exemption under Section 405 of the Companies Act 2006 not to prepare consolidated financial statements.

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

2. ACCOUNTING POLICIES - continued

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 expenditure.

The estimates and associated assumptions are based on historic experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that 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 adjustments to carrying amount of assets and liabilities are:

-Tangible fixed assets

Tangible fixed assets are depreciated over their useful 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. In re-assessing asset lives, factors such as technical innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

-Stock provisions

The company has recognised provisions for the impairment of stock. The judgements, estimates and associated assumptions necessary to calculate these provisions are based on historical experience and other reasonable factors. In the case of the provisions for the impairment of stock, this covers obsolescence through technological or customer specific reasons. This provision is based on the assessment of stock value and ageing, quantities on hand, usage, changes in the market, technical developments and warranty periods. The value of stock included in the financial statements is net of the provision for the impairment of stock.

-Bad debt provision

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 debt balances and the assessed recoverability. The value of trade debtors in note 11 is stated net of the provision of bad debts.

Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and it can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover is recognised from the sale of goods when the entity has transferred to the buyer the significant risks and rewards of ownership of the goods. This occurs when the buyer takes possession of the goods.

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

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Tangible assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the statement of income and retained earnings during the period in which they are incurred.

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

Freehold property	2% on cost (see note below)
Plant & machinery	15% reducing balance
Office equipment	15% reducing balance
Computers	20% on cost

Freehold land is not depreciated.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

Stocks

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

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its net realisable value. The impairment loss is recognised immediately in the financial statements.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

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

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets

Financial assets comprise cash at bank and in hand, trade debtors, amounts owed by group undertakings and other debtors; these are initially recorded at cost on the date they originate and are subsequently recorded at cost less provisions for impairment. The company considers evidence of impairment for all individual trade and other debtors and amounts owed by group undertakings, and any subsequent impairment is recognised in the statement of income and retained earnings.

Impairment of financial assets

Impairment provisions are recognised when there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulties of the counterparty, default or significant delays in payment.

Impairment provisions represent the difference between the net carrying amount of a financial asset and the value of the expected future cash receipts from that asset.

Financial liabilities

Financial liabilities comprise trade creditors, other creditors and accruals; these are initially recorded, and subsequently carried, at cost on the date they originate.

Financial liabilities also comprise obligations under finance lease and hire purchase contracts; these are initially recorded at cost on the date they originate and are subsequently carried at amortised cost under the effective interest method.

Current asset investments

Current asset investments are stated at market value.

Interest Income

Interest income is recognised in the financial statements using the effective interest method.

Going concern

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.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	2,055,085	2,046,601
Social security costs	228,634	225,702
Other pension costs	64,579	63,693
	<u>2,348,298</u>	<u>2,335,996</u>

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

3. EMPLOYEES AND DIRECTORS - continued

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

	2021	2020
Office and management	16	16
Drivers, sales & maintenance	<u>28</u>	<u>27</u>
	<u>44</u>	<u>43</u>

	2021	2020
	£	£
Directors' remuneration	<u>967,359</u>	<u>1,000,311</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	<u>404,000</u>	<u>404,000</u>

4. OPERATING PROFIT

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

	2021	2020
	£	£
Depreciation - owned assets	256,346	173,085
Depreciation - assets on hire purchase contracts	60,555	42,723
(Profit)/loss on disposal of fixed assets	(61,675)	19,898
Auditors' remuneration	<u>13,514</u>	<u>12,005</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Hire purchase	<u>3,549</u>	<u>3,105</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	53,753	203,642
Deferred tax	<u>220,000</u>	<u>(35,000)</u>
Tax on profit	<u>273,753</u>	<u>168,642</u>

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

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	2021 £	2020 £
Profit before tax	<u>941,105</u>	<u>1,128,232</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	178,810	214,364
Effects of:		
Utilisation of tax losses	(1,079)	-
Expenses not deductible for tax purposes	4,319	3,781
Capital allowances for period in excess of depreciation accrual	(128,297)	(14,503)
Deferred Tax	<u>220,000</u>	<u>(35,000)</u>
Total tax charge	<u><u>273,753</u></u>	<u><u>168,642</u></u>

Tax effects relating to effects of other comprehensive income

	Gross £	2021 Tax £	Net £
Revaluation of investments	<u>671,824</u>	<u>-</u>	<u>671,824</u>
	Gross £	2020 Tax £	Net £
Revaluation of investments	<u>(265,903)</u>	<u>-</u>	<u>(265,903)</u>

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

7. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
COST OR VALUATION				
At 1 October 2020	2,170,571	2,879,219	128,367	5,178,157
Additions	-	890,229	14,890	905,119
Disposals	-	(176,269)	-	(176,269)
At 30 September 2021	<u>2,170,571</u>	<u>3,593,179</u>	<u>143,257</u>	<u>5,907,007</u>
DEPRECIATION				
At 1 October 2020	56,527	1,785,987	66,943	1,909,457
Charge for year	3,425	293,199	20,277	316,901
Eliminated on disposal	-	(147,465)	-	(147,465)
At 30 September 2021	<u>59,952</u>	<u>1,931,721</u>	<u>87,220</u>	<u>2,078,893</u>
NET BOOK VALUE				
At 30 September 2021	<u>2,110,619</u>	<u>1,661,458</u>	<u>56,037</u>	<u>3,828,114</u>
At 30 September 2020	<u>2,114,044</u>	<u>1,093,232</u>	<u>61,424</u>	<u>3,268,700</u>

The company's freehold and investment properties have been revalued according to professional valuations carried out by Andrew Dixon & Company Chartered Surveyors. The valuations in respect of the properties owned and used by the company at the start of the year are the same market value as when the last valuation was undertaken and therefore no adjustments have been made in respect of those freehold properties and investment property during the year.

Cost or valuation at 30 September 2021 is represented by:

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Totals £
Valuation in 2018	361,990	-	-	361,990
Cost	<u>1,808,581</u>	<u>3,593,179</u>	<u>143,257</u>	<u>5,545,017</u>
	<u>2,170,571</u>	<u>3,593,179</u>	<u>143,257</u>	<u>5,907,007</u>

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

	2021 £	2020 £
Cost	<u>1,808,581</u>	<u>1,808,581</u>
Aggregate depreciation	<u>59,952</u>	<u>56,527</u>

Freehold properties held then were valued on an open market value basis on 20 January 2021 by Andrew Dixon & Company

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

7. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £
COST OR VALUATION	
At 1 October 2020	323,595
Additions	229,160
Transfer to ownership	(110,000)
At 30 September 2021	<u>442,755</u>
DEPRECIATION	
At 1 October 2020	81,498
Charge for year	60,555
Transfer to ownership	(42,446)
At 30 September 2021	<u>99,607</u>
NET BOOK VALUE	
At 30 September 2021	<u>343,148</u>
At 30 September 2020	<u>242,097</u>

8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 October 2020 and 30 September 2021	<u>450,200</u>
PROVISIONS	
At 1 October 2020 and 30 September 2021	<u>450,000</u>
NET BOOK VALUE	
At 30 September 2021	<u>200</u>
At 30 September 2020	<u>200</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

AID Partnership Limited

Registered office: Cocksparrow Lane, Huntington, Cannock, West Midlands, WS12 4PB

Nature of business: Dormant

	%		
Class of shares:	holding		
Ordinary A shares	100.00		
		2021	2020
		£	£
Aggregate capital and reserves		<u>200</u>	<u>200</u>

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

9. INVESTMENT PROPERTY

	Total £
FAIR VALUE	
At 1 October 2020 and 30 September 2021	<u>100,000</u>
NET BOOK VALUE	
At 30 September 2021	<u>100,000</u>
At 30 September 2020	<u>100,000</u>

10. STOCKS

	2021 £	2020 £
Goods for resale	<u>585,058</u>	<u>570,043</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	3,709,406	2,404,077
Other debtors	131,363	40,163
Prepayments	<u>125,708</u>	<u>37,344</u>
	<u>3,966,477</u>	<u>2,481,584</u>

12. CURRENT ASSET INVESTMENTS

	2021 £	2020 £
Listed investments	<u>3,945,431</u>	<u>3,160,800</u>
Market value of listed investments at 30 September 2021 - £ 3,945,431 (2020 - £ 3,160,800).		

The investments consist of a portfolio of authorised unit trusts and bank balances.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Hire purchase contracts (see note 15)	165,604	113,277
Trade creditors	5,339,781	3,485,846
Tax	53,753	203,642
Social security and other taxes	87,887	178,621
Other creditors	21,734	37,426
Directors' loan accounts	484,911	1,053,910
Accrued expenses	<u>589,577</u>	<u>623,541</u>
	<u>6,743,247</u>	<u>5,696,263</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Hire purchase contracts (see note 15)	<u>177,276</u>	<u>93,470</u>

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

15. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Gross obligations repayable:		
Within one year	169,819	116,759
Between one and five years	<u>183,401</u>	<u>96,748</u>
	<u>353,220</u>	<u>213,507</u>
Finance charges repayable:		
Within one year	4,215	3,482
Between one and five years	<u>6,125</u>	<u>3,278</u>
	<u>10,340</u>	<u>6,760</u>
Net obligations repayable:		
Within one year	165,604	113,277
Between one and five years	<u>177,276</u>	<u>93,470</u>
	<u>342,880</u>	<u>206,747</u>

16. PROVISIONS FOR LIABILITIES

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	<u>475,000</u>	<u>255,000</u>
		Deferred tax £
Balance at 1 October 2020		255,000
Accelerated capital allowances		<u>220,000</u>
Balance at 30 September 2021		<u>475,000</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
100,000	Ordinary Shares	£1	<u>100,000</u>	<u>100,000</u>

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

18. **RESERVES**

	Retained earnings £	Fair value reserve £	Totals £
At 1 October 2020	5,328,811	773,487	6,102,298
Profit for the year	667,352		667,352
Revaluation of current asset investments	-	671,824	671,824
At 30 September 2021	<u>5,996,163</u>	<u>1,445,311</u>	<u>7,441,474</u>

19. **PENSION COMMITMENTS**

The assets of the pension scheme's are held separately from those of the company in independently administered fund's.

20. **ULTIMATE CONTROLLING PARTY**

A W Whitehouse and T J W Whitehouse jointly control the company by virtue of their each holding 50% of the issued share capital of the company.

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.