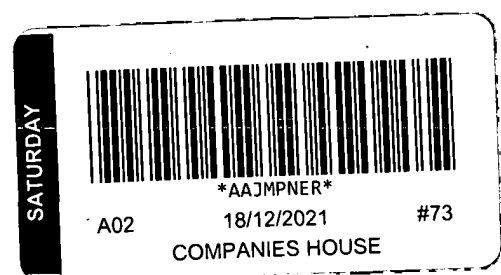


Registered number: 01599041

MAINA FREIGHT FORWARDERS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021



MAINA FREIGHT FORWARDERS PLC

COMPANY INFORMATION

Directors	B G Madlani M B Madlani
Registered number	01599041
Registered office	3 Brook Business Centre Cowley Mill Road Uxbridge London UB8 2FX
Independent auditors	Barnes Roffe LLP Chartered Accountants & Statutory Auditors 3 Brook Business Centre Cowley Mill Road Uxbridge Middlesex UB8 2FX

MAINA FREIGHT FORWARDERS PLC

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021

Introduction

The directors present their strategic report and audited financial statements for the year ended 30 June 2021.

The principal activity of the company continued to be that of freight forwarders.

Business review and future developments

The turnover has gone up in the year due to PPE goods being moved in a big way however the gross profit margin has decreased. The business made a profit after tax. The directors continue to monitor the customers that they work with, and their ability to pay, as well as margins and risks on freight forwarding work to enable the business to grow and become profitable.

The company aims to maintain its high quality and good value service to its customers and to invest in marketing campaigns in order to win new customers and increase market share. Through achieving these aims the company expects to achieve profits in 2021-22 and considers itself to be well placed to win new customers and achieve growth within the current market.

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the end of it. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

Principal risks and uncertainties

The company faces the competitive and strategic risks that are inherent in freight forwarding and the board keeps future strategy under regular review. The company also has some exposure to foreign exchange rates, particularly the US dollar, and to fuel prices and applies the same policy to these areas.

Liquidity risk and cash flow risk

The board continually monitors the cash requirements of the company to ensure that the company has ready access to the funds that the Board deem necessary at any time during the year. The monitoring and review of future projections by the Board ensures that there are adequate cash facilities readily available from the company's finance providers to support the company's cash flow requirements.

Financial key performance indicators

The company monitors gross profit percentage which decreased to 31.12% in 2021 from 33.39% in 2020.

Turnover for the year has increased by 24.80% to £5,084,983 compared to £4,074,461 in 2020.

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with the suppliers when agreeing the terms of each transaction,
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts,
- pay in accordance with the company's contractual and other legal obligations.

On an average, trade creditors at the year end represented 73 (2020 - 94 days).

MAINA FREIGHT FORWARDERS PLC

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2021**

This report was approved by the board on *17 December 2021* and signed on its behalf.



B G Madlani
Directors

MAINA FREIGHT FORWARDERS PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2021

The directors present their report and the financial statements for the year ended 30 June 2021.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

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

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

Results and dividends

The profit for the year, after taxation, amounted to £280,922 (2020 - £60,133).

Dividends paid during the year amounted to £2,000 (2020 - £2,000).

Directors

The directors who served during the year were:

B G Madlani
M B Madlani

Strategic report

The company has chosen, in accordance with section 414C of the Companies Act 2006, to set out the following information which would otherwise be required to be contained in the director's report within the strategic report:

- (a) Business review and future developments; and
- (b) Financial risk management objective and policies.

MAINA FREIGHT FORWARDERS PLC

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

Disclosure of information to auditors

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

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

Post balance sheet events

At the date of approval of these accounts, the COVID-19 pandemic remains prevalent in the UK. It is not possible to accurately predict the duration or magnitude of any potential consequences as a result of the pandemic at this time.

Since the year end, the company has acquired 100% of the issued share capital of Maina Couriers Limited, a specialist courier company. The acquisition was completed on 28 October 2021.

There are no other subsequent events that require disclosure or adjustments to the financial statements.

Auditors

The auditors, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 17 December 2021 and signed on its behalf.



B G Madlani
Directors

MAINA FREIGHT FORWARDERS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAINA FREIGHT FORWARDERS PLC

Opinion

We have audited the financial statements of Maina Freight Forwarders PLC (the 'Company') for the year ended 30 June 2021, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of cash flows, the Statement of changes in equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 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 United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

MAINA FREIGHT FORWARDERS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAINA FREIGHT FORWARDERS PLC (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 3, 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.

MAINA FREIGHT FORWARDERS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAINA FREIGHT FORWARDERS PLC (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with law and regulations, was as follows:

- 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 discussion with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- The specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, are as follows:
 - i) Companies Act 2006.
 - ii) FRS 102.
 - iii) Tax legislation.
 - iv) Employment legislation.
 - v) Health and safety.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and reviewing supporting evidence where applicable; and
- Laws and regulations were communicated within the audit team at the planning meeting, and during the audit as any further laws and regulation were identified. The audit 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 enquires of management as to where they consider there was susceptibility to fraud and their knowledge of actual suspected and alleged fraud;
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- Reviewing the financial statements and testing the disclosures against supporting documentation;
- Performing analytical procedures to identify any unusual or unexpected trends or anomalies;
- Inspecting and testing journal entries to identify unusual or unexpected transactions;
- Assessing whether judgement and assumptions made in determining significant accounting estimates, were indicative of management bias; and
- Investigating the rationale behind significant transactions, or transactions that are unusual or outside the company's usual course of business.

MAINA FREIGHT FORWARDERS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MAINA FREIGHT FORWARDERS PLC (CONTINUED)

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made;
- Management override of controls; and
- Posting of unusual journals or transactions.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Nigel Goodman (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants & Statutory Auditors
3 Brook Business Centre
Cowley Mill Road
Uxbridge
Middlesex
UB8 2FX

Date: 17 December 2021

MAINA FREIGHT FORWARDERS PLC

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Note	2021 £	2020 £
Turnover	4	5,084,983	4,074,461
Cost of sales		(3,502,434)	(2,713,763)
Gross profit		1,582,549	1,360,698
Administrative expenses		(1,420,403)	(1,359,936)
Other operating income	5	227,545	92,365
Operating profit	6	389,691	93,127
Interest payable and similar expenses	10	(9,919)	(9,357)
Profit before tax		379,772	83,770
Tax on profit	11	(98,850)	(23,637)
Profit for the financial year		280,922	60,133
Total comprehensive income for the year		280,922	60,133

The notes on pages 15 to 30 form part of these financial statements.

MAINA FREIGHT FORWARDERS PLC
REGISTERED NUMBER: 01599041

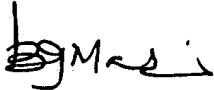
STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	13		215,172		236,832
Current assets					
Debtors: amounts falling due after more than one year	14	303,554		470,265	
Debtors: amounts falling due within one year	14	936,954		538,073	
Cash at bank and in hand	15	362,682		309,667	
			<u>1,603,190</u>	<u>1,318,005</u>	
Creditors: amounts falling due within one year	16	(1,272,592)		(1,266,436)	
Net current assets			<u>330,598</u>		<u>51,569</u>
Total assets less current liabilities			<u>545,770</u>		<u>288,401</u>
Creditors: amounts falling due after more than one year	17		(120,567)		(144,320)
Provisions for liabilities					
Deferred tax	21		(20,100)		(17,900)
Net assets			<u><u>405,103</u></u>		<u><u>126,181</u></u>
Capital and reserves					
Called up share capital	22		50,000		50,000
Profit and loss account	23		355,103		76,181
			<u><u>405,103</u></u>		<u><u>126,181</u></u>

MAINA FREIGHT FORWARDERS PLC
REGISTERED NUMBER: 01599041

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 30 JUNE 2021

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
17 December 2021



B G Madlani
Directors

The notes on pages 15 to 30 form part of these financial statements.

MAINA FREIGHT FORWARDERS PLC

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2020	50,000	76,181	126,181
Comprehensive income for the year			
Profit for the year	-	280,922	280,922
Total comprehensive income for the year	-	280,922	280,922
Dividends: Equity capital	-	(2,000)	(2,000)
At 30 June 2021	50,000	355,103	405,103

The notes on pages 15 to 30 form part of these financial statements.

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 July 2019	50,000	18,048	68,048
Comprehensive income for the year			
Profit for the year	-	60,133	60,133
Total comprehensive income for the year	-	60,133	60,133
Dividends: Equity capital	-	(2,000)	(2,000)
Total transactions with owners	-	(2,000)	(2,000)
At 30 June 2020	50,000	76,181	126,181

The notes on pages 15 to 30 form part of these financial statements.

MAINA FREIGHT FORWARDERS PLC

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial year	280,922	60,133
Adjustments for:		
Depreciation of tangible assets	23,999	26,880
Loss on disposal of tangible assets	-	497
Interest payable	9,919	9,357
Taxation charge	98,850	23,637
(Increase) in debtors	(232,170)	(64,943)
(Decrease)/increase in creditors	(88,749)	410,316
Net cash generated from operating activities	92,771	465,877
Cash flows from investing activities		
Purchase of tangible fixed assets	(2,339)	(22,598)
Sale of tangible fixed assets	-	100
HP interest paid	(1,021)	(1,272)
Net cash used in investing activities	(3,360)	(23,770)
Cash flows from financing activities		
Repayment of loans	(20,406)	(27,738)
Repayment of finance leases	(5,092)	(6,627)
Dividends paid	(2,000)	(2,000)
Interest paid	(8,898)	(8,085)
Net cash used in financing activities	(36,396)	(44,450)
Net increase in cash and cash equivalents	53,015	397,657
Cash and cash equivalents at beginning of year	309,667	(87,990)
Cash and cash equivalents at the end of year	362,682	309,667
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	362,682	309,667
	362,682	309,667

MAINA FREIGHT FORWARDERS PLC

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 30 JUNE 2021**

	At 1 July 2020 £	Cash flows £	At 30 June 2021 £
Cash at bank and in hand	309,667	53,015	362,682
Debt due after 1 year	(136,489)	20,406	(116,083)
Debt due within 1 year	(31,372)	-	(31,372)
Finance leases	(13,384)	5,092	(8,292)
	<u>128,422</u>	<u>78,513</u>	<u>206,935</u>

The notes on pages 15 to 30 form part of these financial statements.

MAINA FREIGHT FORWARDERS PLC

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

1. General information

Maina Freight Forwarders PLC is a public limited company, incorporated in England and Wales. The address of the registered office is 3 Brook Business Centre, Cowley Mill Road, Uxbridge, London, UB8 2FX.

The company specialises in freight forwarding.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The following principal accounting policies have been applied:

2.2 Going concern

The directors have taken consideration of the impact of COVID-19 on the business and the exit of the UK from the European Union. However the directors are mindful that conditions in the market are uncertain and at the date of this report, it is not possible to reliably determine the effects that these events will have on the company in the future. Nevertheless, the directors note that the company is trading adequately and if this continues, they will have sufficient working capital and other finance available to continue for a period of not less than 12 months from the Statement of financial position date. As such the directors believe that there are no significant uncertainties in their assessment of whether the business is a going concern and therefore have prepared the accounts on a going concern basis.

MAINA FREIGHT FORWARDERS PLC

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

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover is recognised on the date the services are provided to the customers, being the delivery of goods to the transporters.

2.4 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	- 2.5% straight line
Plant and machinery	- 10% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 10% reducing balance
Office equipment	- 10% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of comprehensive income.

MAINA FREIGHT FORWARDERS PLC

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

2. Accounting policies (continued)

2.5 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.

2.6 Cash and cash equivalents

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

In the Statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

2.7 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.8 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the

MAINA FREIGHT FORWARDERS PLC

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

2. Accounting policies (continued)

2.8 Financial instruments (continued)

contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Creditors

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.

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.11 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

MAINA FREIGHT FORWARDERS PLC

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

2. Accounting policies (continued)

2.12 Dividends

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

2.13 Government grants

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

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

2.14 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of comprehensive income on a straight line basis over the lease term.

2.15 Borrowing costs

All borrowing costs are recognised in the Statement of comprehensive income in the year in which they are incurred.

2.16 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Company in independently administered funds.

MAINA FREIGHT FORWARDERS PLC

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

2. Accounting policies (continued)

2.17 Current and deferred taxation

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

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

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

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

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

The directors do not believe any of the accounting policy judgements have a significant impact on the results. In addition there are no significant sources of estimation uncertainty.

4. Turnover

75% (2020 - 75%) of the company's turnover arose within the United Kingdom.

The company analyses the turnover into air freight 86.6% (2020 - 85.4%), sea freight 13.3% (2020 - 11.8%) and other 0.1% (2020 - 2.8%).

5. Other operating income

	2021 £	2020 £
Government grants receivable	227,545	92,365
	<u>227,545</u>	<u>92,365</u>

MAINA FREIGHT FORWARDERS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

6. Operating profit

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

	2021 £	2020 £
Depreciation of tangible fixed assets on owned assets	18,455	20,905
Depreciation of tangible fixed assets held under finance leases	5,544	5,975
Exchange differences	41,183	(4,107)
Other operating lease rentals	74,400	74,400
Loss on sale of tangible fixed assets	-	497
	<u> </u>	<u> </u>

7. Employees

Staff costs, including director's remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	587,025	523,966
Social security costs	48,630	42,385
Staff pension costs	24,855	23,252
	<u> </u>	<u> </u>
	660,510	589,603
	<u> </u>	<u> </u>

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

	2021 No.	2020 No.
Directors	2	2
Operational staff	24	22
	<u> </u>	<u> </u>
	26	24
	<u> </u>	<u> </u>

8. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	8,000	8,905
	<u> </u>	<u> </u>

MAINA FREIGHT FORWARDERS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

9. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	45,674	44,012
	<u>45,674</u>	<u>44,012</u>

10. Interest payable and similar charges

	2021 £	2020 £
Overdraft interest	8,898	8,085
Finance leases and hire purchase contracts	1,021	1,272
	<u>9,919</u>	<u>9,357</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	96,650	16,231
Adjustments in respect of previous periods	-	806
	<u>96,650</u>	<u>17,037</u>
Total current tax	<u>96,650</u>	<u>17,037</u>
Deferred tax		
Origination and reversal of timing differences	2,200	6,600
Total deferred tax	<u>2,200</u>	<u>6,600</u>
Taxation on profit on ordinary activities	<u>98,850</u>	<u>23,637</u>

MAINA FREIGHT FORWARDERS PLC

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

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	<u>379,772</u>	<u>83,770</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	72,157	15,916
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	20,576	2,208
Decelerated capital allowances for year	3,858	2,605
Deferred tax	2,200	6,600
(Underprovision)/Overprovision	(4)	806
Origination and reversal of timing differences	63	43
Utilisation of losses	-	(4,541)
Total tax charge for the year	<u>98,850</u>	<u>23,637</u>

Factors that may affect future tax charges

In the March 2021 Budget it was announced that the UK corporation tax rate would increase to 25% from 1 April 2023 for profits over £250,000. There are no other significant factors that may affect future tax charges.

12. Dividends

	2021 £	2020 £
Dividends paid	2,000	2,000
	<u>2,000</u>	<u>2,000</u>

The directors had an interest in dividends of £2,000 (2020 - £2,000).

MAINA FREIGHT FORWARDERS PLC

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

13. Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost						
At 1 July 2020	309,396	23,575	107,037	195,125	121,875	757,008
Additions	-	-	-	-	2,339	2,339
At 30 June 2021	309,396	23,575	107,037	195,125	124,214	759,347
Depreciation						
At 1 July 2020	199,505	17,272	84,788	160,201	58,410	520,176
Charge for the year on owned assets	7,735	630	18	3,492	6,580	18,455
Charge for the year on financed assets	-	-	5,544	-	-	5,544
At 30 June 2021	207,240	17,902	90,350	163,693	64,990	544,175
Net book value						
At 30 June 2021	102,156	5,673	16,687	31,432	59,224	215,172
At 30 June 2020	109,891	6,303	22,249	34,924	63,465	236,832

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Motor vehicles	8,134	13,677
	8,134	13,677

MAINA FREIGHT FORWARDERS PLC

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

14. Debtors

	2021 £	2020 £
Due after more than one year		
Trade debtors	303,554	470,265
	<u>303,554</u>	<u>470,265</u>
	2021 £	2020 £
Due within one year		
Trade debtors	793,377	492,226
Other debtors	98,728	35,217
Prepayments and accrued income	44,849	10,630
	<u>936,954</u>	<u>538,073</u>

15. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	362,682	309,667
	<u>362,682</u>	<u>309,667</u>

MAINA FREIGHT FORWARDERS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

16. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank loans	31,372	31,372
Trade creditors	849,458	890,618
Corporation tax	112,881	16,231
Other taxation and social security	14,313	47,885
Net obligations under finance lease and hire purchase contracts	3,808	5,553
Other creditors	2,473	188,475
Accruals and deferred income	258,287	86,302
	1,272,592	1,266,436

The hire purchase liability is secured on the assets to which they relate. The bank loans are secured by a fixed charge on the property and a floating charge on the assets of the company.

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

	2021	2020
	£	£
Bank loans	116,083	136,489
Net obligations under finance leases and hire purchase contracts	4,484	7,831
	120,567	144,320

The hire purchase liability is secured on the assets to which they relate. The bank loans are secured by a fixed charge on the property and a floating charge on the assets of the company.

MAINA FREIGHT FORWARDERS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

18. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	31,372	31,372
	<u>31,372</u>	<u>31,372</u>
Amounts falling due 1-2 years		
Bank loans	31,372	31,373
	<u>31,372</u>	<u>31,373</u>
Amounts falling due 2-5 years		
Bank loans	84,711	94,117
	<u>84,711</u>	<u>94,117</u>
Amounts falling due after more than 5 years		
Bank loans	-	10,999
	<u>-</u>	<u>10,999</u>
	<u><u>147,455</u></u>	<u><u>167,861</u></u>

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Within one year	3,808	5,553
Between 1-5 years	4,484	7,831
	<u>8,292</u>	<u>13,384</u>

MAINA FREIGHT FORWARDERS PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

20. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	<u>1,195,659</u>	<u>997,708</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>1,007,678</u>	<u>1,260,338</u>

Financial assets that are debt instruments measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, hire purchase and other creditors.

21. Deferred taxation

	2021 £	2020 £
At beginning of year	17,900	11,300
Charged to Statement of comprehensive income	2,200	6,600
At end of year	<u>20,100</u>	<u>17,900</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	26,600	22,700
Pension liability	(200)	-
Bad debt provision	(6,300)	(4,800)
	<u>20,100</u>	<u>17,900</u>

MAINA FREIGHT FORWARDERS PLC

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

22. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
50,000 Ordinary shares of £1 each	<u>50,000</u>	<u>50,000</u>

23. Reserves

Profit and loss account

The profit and loss account includes all current and prior year retained profits and losses.

24. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,855 (2020 - £23,252). Contributions totalling £2,473 (2020 - £1,745) were payable to the fund at the reporting date.

25. Related party transactions

Maina Couriers Limited, Maina Imports Limited and VSN Properties Limited are companies which are controlled by the sons of the director, B G Madlani. Maina Global Trading FZC is a company registered in Dubai and is controlled by the daughter of the director, B G Madlani. The transactions and balances with these companies are as follows:

MAINA FREIGHT FORWARDERS PLC

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

	2021 £	2020 £
Maina Couriers - Balance	303,554	470,265
Maina Couriers - Sales	23,827	328,125
Maina Couriers - Purchases	(61,934)	(78,715)
Maina Imports - Balance	(220,562)	(244,204)
Maina Imports - Sales	325,933	258,282
Maina Imports - Purchases	(235,865)	(249,990)
VSN Properties Limited - Balance	10,080	10,080
VSN Properties Limited - Sales	16,800	16,800
Maina Global Trading - Balance	(24,681)	(21,255)
Maina Global Trading - Sales	2,401	2,502
Maina Global Trading - Purchases	(37,936)	(24,523)
	<u>101,617</u>	<u>467,367</u>

The company was charged rent of £74,400 (2020 - £74,400) by related parties. £12,000 (2020 - £12,000) by the sons of the directors and £62,400 (2020 - £62,400) by the directors. The directors have an amount due from them on their directors' loan account of £43,579 (2020 - £186,730 due to). The directors loan has no interest charged and no set repayment terms. During the year, the company has made total sales of £9,600 (2020 - £1,527) and purchases of £62,400 (2020 - £17,167) from the sons of the directors. Included in trade debtors is an amount of £10,804 (2020 - £9,844) owed by the sons of the directors.

Only the directors are considered to be key management and therefore the total compensation is as disclosed in note 9.

26. Post balance sheet events

Since the year end, the company has acquired 100% of the issued share capital of Maina Couriers Limited, a specialist courier company. The acquisition was completed on 28 October 2021.

There are no other subsequent events that require disclosure or adjustments to the financial statements.

27. Controlling party

The ultimate controlling party is the director B G Madlani.