Company Registration No. 01607961 (England and Wales)

A.T. LITTLE & SONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 28 FEBRUARY 2021

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MOORE & SMALLEY

A.T. LITTLE & SONS LIMITED

COMPANY INFORMATION

Directors	Mrs Y J Stafford	
	Mr A T Little	
	Mr J J Little	
	Ms A Stafford	(Appointed 18 May 2021)
Company number	01607961	
Registered office	22-28 George Street Hull HU1 3AP	
Auditor	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP	

A.T. LITTLE & SONS LIMITED

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A.T. LITTLE & SONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 28 FEBRUARY 2021

The directors present the strategic report for the year ended 28 February 2021.

Fair review of the business

The Board is able report another pleasing financial performance during a challenging year. Despite operating amidst the Covid-19 pandemic, turnover only suffered a minor reduction of less than 1% to £18,002,817 (2020: £18,140,703). The reduction was wholly due to the pandemic causing the closure of the company's customer base for portions of the period under report. In spite of this the period saw continued signs of growth, delivered from a mix of existing customers expanding their order book with the company and through new connections. It is pleasing to again note that the company derives significant income from both overseas and domestic sales, given the continued marketing efforts throughout the year.

The company specialises in the supply of books, e-books, DVDs and related services to schools, colleges and academic institutions throughout the United Kingdom and overseas. Educational institutions have been under budget pressure for a number of years which is a significant risk to operations, even though reading materials and complementary services are essential to them. Furthermore some of the company's sales are not subject to any long term agreements, presenting a further inherent risk within its chosen key markets.

The directors monitor performance using levels of turnover, gross margin and by comparing actual results with budgets so again, on all levels, the financial performance was positive. Gross margins were increased at 16.1% (2020: 16.0%) demonstrating the company has retained the efficient manner in which it delivers all service offerings to our customers, alongside the vast range available to purchase.

In recent years, the Board noted its aim of fuelling further growth with investments in additional staffing, the provision of a modern working environment, the utilisation of the latest technology and novel marketing techniques. Each facet of this approach is sustained in a continued investment to future proof the company and aid its position within the principal markets in which it operates. The company invested further in its staff base with average staff numbers, a non-financial KPI, increasing significantly to 88 (2020: 72). The board wanted to ensure each department has sufficient numbers and appropriate skill sets in situ to deliver the projected growth . In spite of this investment operating profits grew to £639,171 (2020: £603,160), which the Board are delighted with, demonstrating success in the overall approach.

A further key performance indicator is the significant positive cash at bank balance of £1,014,927 (2020: £1,774,531). The directors and company finance department monitor working capital controls tightly given the sometime fragmented profile of the company's turnover over the course of a twelve month period. The company therefore remains highly liquid and so has the ability to be agile in its operations where opportunities may present themselves. A key component of working capital management is the monitoring of credit risk. Partly due to the typical nature of the company's customer base, allied with its financial controls and management, it has not suffered any bad debts in the year and has further reduced average trade debtor days. Financial risk management is further referenced within the Directors' Report.

The company increased its balance sheet to £2,539,113 (2020: £2,019,653), providing a strong base from which to operate in the year ahead. Whilst the company's operations were affected by the current Covid-19 pandemic, at the present time there are no barriers negating its ability to source, hold and despatch a full range of hard copy and electronic stock and provide all associated servicing and customer support. As a consequence of this backdrop, the directors consider that the year to February 2022 should deliver growth in turnover and the company remains very well placed to continue the sustainable growth set out as part of their plans. Regardless the directors draw attention to note 1.2 to the financial statements.

During the year the company commenced plans to develop a new headquarters. This build was underway at the balance sheet date, has been fully financed by the group and is the reason behind the reduced bank balances noted above. This new site is planned to become fully operational during 2021.

To build on the company's other successes, the directors remain fully committed towards the completion of this significant investment and then targeting further increases in relevant market share over the year ahead and beyond.

Finally, the directors would like to place on record their sincere thanks to the dedicated and talented staff employed throughout the company, without whose efforts the company would not continue to thrive.

On behalf of the board

Mrs Y J Stafford
Director

18 June 2021

The directors present their annual report and financial statements for the year ended 28 February 2021.

Principal activities

The principal activity of the company is the supply of books, e-books, DVDs and related services to libraries and educational establishments.

The company specialises in the supply of books and related services to schools, colleges and academic institutions throughout the United Kingdom and overseas.

Results and dividends

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mrs Y J Stafford	
Mr A T Little	
Mr J J Little	
Ms A Stafford	(Appointed 18 May 2021)

Financial instruments

Financial risk managment objectives and policies

The company's operations expose it to a variety of financial risks that include credit risk, liquidity risk and interest rate risk. The company has in place a risk management programme that seeks to limit the adverse effect of these risks on the performance of the company. The company does not use derivative financial instruments and as such no hedge accounting is applied.

Given the size of the company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board of directors are implemented by the company's finance department.

Credit Risk

The company has implemented policies that require appropriate credit checks on potential customers before sales are made.

Liquidity and interest rate risk

The company currently has sufficient cash balances to make debt finance unnecessary. Bank interest rates are monitored to ensure the company is earning maximum interest whilst maintaining liquidity.

Auditor

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Information referred to in the strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mrs Y J Stafford
Director

18 June 2021

A.T. LITTLE & SONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 28 FEBRUARY 2021

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

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF A.T. LITTLE & SONS LIMITED

Opinion
We have audited the financial statements of A.T. Little & Sons Limited (the 'company') for the year ended 28 February 2021 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 and the directors' report.

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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

Because of the field in which the client operates we identified that employment law, health and safety legislation and compliance with the UK Companies Act are the areas most likely to have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Joe Sullivan (Senior Statutory Auditor)
For and on behalf of MHA Moore and Smalley
Chartered Accountants
Statutory Auditor

Richard House
9 Winckley Square
Preston
PR1 3HP

21 June 2021

A.T. LITTLE & SONS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	2021 £	2020 £
Turnover	3	18,002,817	18,140,703
Cost of sales		(15,095,544)	(15,234,585)
Gross profit		2,907,273	2,906,118
Distribution costs		(385,068)	(302,654)
Administrative expenses		(2,262,593)	(2,070,487)
Other operating income		379,558	70,183
Operating profit	4	639,170	603,160
Interest receivable and similar income	7	3,363	16,361
Interest payable and similar expenses	8	(1,667)	-
Profit before taxation		640,866	619,521
Tax on profit	9	(121,214)	(117,942)
Profit for the financial year		519,652	501,579

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

A.T. LITTLE & SONS LIMITED

BALANCE SHEET

AS AT 28 FEBRUARY 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	11		3,017,162		1,022,643
Current assets					
Stocks	12	15,602		30,019	
Debtors	13	1,961,972		1,504,415	
Cash at bank and in hand		1,014,927		1,774,531	
		2,992,501		3,308,965	
Creditors: amounts falling due within one year	14	(2,408,431)		(2,312,147)	
Net current assets			584,070		996,818
Total assets less current liabilities			3,601,232		2,019,461
Creditors: amounts falling due after more than one year	15		(1,000,000)		-
Provisions for liabilities					
Deferred tax liability	16	62,119		-	
			(62,119)		-
Net assets			2,539,113		2,019,461
Capital and reserves					
Called up share capital	18		10,000		10,000
Profit and loss reserves			2,529,113		2,009,461
Total equity			2,539,113		2,019,461

The financial statements were approved by the board of directors and authorised for issue on 18 June 2021 and are signed on its behalf by:

Mrs Y J Stafford
Director

Mr J J Little
Director

Company Registration No. 01607961

A.T. LITTLE & SONS LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 28 FEBRUARY 2021

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 March 2019		10,000	1,607,882	1,617,882
Year ended 29 February 2020:				
Profit and total comprehensive income for the year		-	501,579	501,579
Dividends	**10**	-	(100,000)	(100,000)
Balance at 29 February 2020		10,000	2,009,461	2,019,461
Year ended 28 February 2021:				
Profit and total comprehensive income for the year		-	519,652	519,652
Balance at 28 February 2021		10,000	2,529,113	2,539,113

1 Accounting policies

Company information

A.T. Little & Sons Limited is a private company limited by shares incorporated in England and Wales. The registered office is 22-28 George Street, Hull, HU1 3AP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of The Little Group Limited . These consolidated financial statements are available from its registered office, 1 Whittle Drive, Willingdon Drove, Eastbourne, BN23 6QH.

1 Accounting policies **(Continued)**

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company's activities were significantly impacted by the Covid-19 pandemic, experiencing a significant fall in revenue due to the UK government directive closing educational establishments during the early months of the financial year. It was also able to mitigate the closure of educational establishments through a proportion of turnover relating to online customers, who were served as normal throughout the year. Income streams recovered significantly in the second half of the financial year and there is no immediate prospect of educational establishments closing at the time of signing the financial statements.

The company made use of appropriate financial assistance from the government and is currently not experiencing any material issues with its ability to receive, hold and dispatch stock.

The company currently has sufficient levels of working capital available to see it through the upcoming months, even based upon very prudent sales projections, and has received confirmation that the parent company will provide financial support during the upcoming twelve months should it be required.

Based upon the factors noted above the directors believe there are no material uncertainties over going concern at the date of signing.

1.3 Turnover

Turnover represents the net amounts invoiced by the company in respect of goods and services supplied during the year and is stated net of trade discounts and value added tax. Income is recognised on despatch of physical books, or when e-books are downloaded. Income in respect of services provided is recognised when that service is delivered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold land and buildings	- 5% per annum straight line
Fixtures, fittings and equipment	- 15% per annum reducing balance
Computer equipment	- 20% per annum straight line
Motor vehicles	- 25% per annum reducing balance

Assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1 Accounting policies **(Continued)**

1.5 Impairment of fixed assets

At each reporting end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct purchase expense and, where applicable, those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment due to obsolescence or slow moving stock. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

All of the company's financial assets are basic financial instruments.

1 Accounting policies **(Continued)**

Impairment of financial assets
Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities
Basic financial liabilities, including creditors and loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities
All of the company's financial liabilities are basic financial instruments.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments
Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1 Accounting policies **(Continued)**

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balances sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

The company operates two contributory pension schemes for the employees. Both are defined contribution schemes, the assets of which are held separately from those of the company. Contributions are charged to the profit and loss account as they become payable.

The company also operates a Group Life scheme (a defined contribution scheme) under a centralised scheme administered by Gardners Books Limited, and contributions are charged to the profit and loss account as they become payable.

1.13 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Useful economic life of tangible fixed assets

The useful economic life of tangible fixed assets is judged at the point of purchase and reviewed at each balance sheet date. Further details are provided within note 1.4 to the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Provision for irrecoverable trade debtors

At each balance sheet date, management undertake a review of the outstanding trade debtor balances and estimate the balance that should either be impaired or provided against.

This calculation is based on the financial position of the customers, the historical speed of payment compared to approved credit terms and the status/progress of any ongoing communications with them.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2021	2020
	£	£
Turnover analysed by class of business		
Attributable to the company's continuing principal activities	18,002,817	18,140,703

	2021	2020
	£	£
Other significant revenue		
Interest income	3,363	16,361
Grants received	324,867	-

3 Turnover and other revenue (Continued)

	2021	2020
	£	£
Turnover analysed by geographical market		
UK	16,070,032	15,876,895
Overseas	1,932,785	2,263,808
	18,002,817	18,140,703

4 Operating profit

	2021	2020
Operating profit for the year is stated after charging/(crediting):	£	£
Government grants	(324,867)	-
Fees payable to the company's auditor for the audit of the company's financial statements	8,400	8,400
Depreciation of owned tangible fixed assets	64,774	65,231
(Profit)/loss on disposal of tangible fixed assets	(1,120)	1,059

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Administration	25	24
Directors	3	3
Sales and management	15	13
Warehouse and production	45	32
Total	88	72

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	1,413,795	1,236,626
Social security costs	104,809	92,043
Pension costs	88,360	69,545
	1,606,964	1,398,214

6 Directors' remuneration

	2021	2020
	£	£
Remuneration for qualifying services	60,236	63,708

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	3,289	16,361
Other interest income	74	-
Total income	3,363	16,361

8 Interest payable and similar expenses

	2021	2020
	£	£
Other interest	1,667	-

9 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	56,357	119,532
Adjustments in respect of prior periods	(2,107)	(130)
Total current tax	54,250	119,402
Deferred tax		
Origination and reversal of timing differences	65,426	(1,460)
Changes in tax rates	(348)	-
Adjustment in respect of prior periods	1,886	-
Total deferred tax	66,964	(1,460)
Total tax charge	121,214	117,942

9 Taxation (Continued)

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Profit before taxation	640,866	619,521
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	121,765	117,709
Tax effect of expenses that are not deductible in determining taxable profit	18	192
Effect of change in corporation tax rate	(348)	171
Under/(over) provided in prior years	(2,107)	(130)
Deferred tax adjustments in respect of prior years	1,886	-
Taxation charge for the year	121,214	117,942

The Finance Act 2016 announced a reduction in the rate of the UK corporation tax to 17% from 1 April 2020. The Chancellor subsequently stated his intention to maintain the main rate of corporation tax at 19%. This change to previously announced policy was substantively enacted on 17 March 2020 and therefore deferred tax has been provided for at 19%.

10 Dividends

	2021	2020
	£	£
Final paid	-	100,000

11 Tangible fixed assets

	Leasehold land and buildings	Assets under construction	Fixtures, fittings and equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 March 2020	152,348	774,468	139,733	148,196	204,547	1,419,292
Additions	-	1,993,458	2,813	12,824	59,278	2,068,373
Disposals	-	-	-	-	(44,243)	(44,243)
At 28 February 2021	152,348	2,767,926	142,546	161,020	219,582	3,443,422
Depreciation and impairment						
At 1 March 2020	121,729	-	100,167	84,586	90,167	396,649
Depreciation charged in the year	1,918	-	6,230	20,860	35,766	64,774
Eliminated in respect of disposals	-	-	-	-	(35,163)	(35,163)
At 28 February 2021	123,647	-	106,397	105,446	90,770	426,260
Carrying amount						
At 28 February 2021	28,701	2,767,926	36,149	55,574	128,812	3,017,162
At 29 February 2020	30,619	774,468	39,566	63,610	114,380	1,022,643

12 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	15,602	30,019

13 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	1,585,900	1,440,470
Corporation tax recoverable	10,824	-
Other debtors	309,699	43,804
Prepayments and accrued income	55,549	15,296
	1,961,972	1,499,570

13 Debtors (Continued)

	2021	2020
Amounts falling due after more than one year:	£	£
Deferred tax asset (note 16)	-	4,845
Total debtors	1,961,972	1,504,415

14 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	209,491	35,692
Amounts owed to group undertakings	1,565,057	2,092,624
Corporation tax	-	44,532
Other taxation and social security	40,273	38,421
Accruals and deferred income	593,610	100,878
	2,408,431	2,312,147

15 Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Amounts owed to group undertakings	1,000,000	-

Loan balances owed to group undertakings must be repaid in full by 1 March 2031, with no further defined capital repayments within the intervening period. The loan balance is unsecured and interest of 2% per annum is levied upon the principal. Such interest is repayable in monthly instalments commencing 1 March 2021.

Amounts included above which fall due after five years are as follows:

Payable by instalments	1,000,000	-

16 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Balances:	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Accelerated capital allowances	62,119	-	-	-
Decelerated capital allowances	-	-	-	4,845
	62,119	-	-	4,845

Movements in the year:	2021 £
Asset at 1 March 2020	(4,845)
Charge to profit or loss	65,426
Effect of change in tax rate - profit or loss	(348)
Other	1,886
Liability at 28 February 2021	62,119

The deferred tax balance above is not expected to materially change over the next 12 months.

17 Retirement benefit schemes

Defined contribution schemes	2021 £	2020 £
Charge to profit or loss in respect of defined contribution schemes	88,360	69,545

The company operates defined contribution pension schemes for all qualifying employees. The assets of the schemes are held separately from those of the company in an independently administered fund.

18 Share capital

Ordinary share capital	2021 Number	2020 Number	2021 £	2020 £
Issued and fully paid				
Ordinary shares of £1 each	10,000	10,000	10,000	10,000

19 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	12,680	12,430
Between two and five years	12,340	25,020
	25,020	37,450

20 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

Category	Description of transaction	Income 2021	Income 2020	Expenditure 2021	Expenditure 2020
		£	£	£	£
Key management personnel					
	Rent paid	-	-	40,000	40,000

21 Ultimate controlling party

The ultimate parent company of A. T. Little & Sons Limited is The Little Group Limited.

The smallest and largest group into which A. T. Little & Sons Limited is consolidated is that of The Little Group Limited, the ultimate parent company. The Little Group Limited is a company registered in the United Kingdom, with a registered office of 1 Whittle Drive, Eastbourne, BN23 6QH. Its group financial statements can be obtained from Companies House, Crown Way, Cardiff.

The directors consider that the Little family possess ultimate control of the company.