

KINLEIGH FOLKARD & HAYWARD LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021



KINLEIGH FOLKARD & HAYWARD LIMITED

COMPANY INFORMATION

Directors	R M Cleminson L Hawkins R H Johnson N J Swinburne
Registered number	02965708
Registered office	KFH House 5 Compton Road London SW19 7QA
Independent auditors	Warrener Stewart Chartered Accountants Harwood House 43 Harwood Road London SW6 4QP

KINLEIGH FOLKARD & HAYWARD LIMITED

CONTENTS

	Page
Strategic Report	1 - 2
Directors' Report	3 - 4
Independent Auditors' Report	5 - 7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 - 20

KINLEIGH FOLKARD & HAYWARD LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

Introduction

The Company operates as surveyors and commercial property agents whose principal activities encompass Surveying, Commercial Estate Agency and Professional Services.

Business review

Following the upheaval resulting from Covid-19 and resultant challenges, 2021 proved to be a pleasing year in terms of results.

With the economy unlocked, and supported in part by the stamp duty holiday and a release in pent-up demand, the company increased turnover while continuing to contribute to group profits.

Revenues for the year were £6,578,898 (2020: £6,145,454), resulting in a profit before tax of £1,195,598 (2020: £1,239,379).

The Company moved into 2022 with strong pipeline business, and a more stable market place. The Directors are confident that these factors will be reflected in positive results for 2022.

Principal risks and uncertainties

The principal risk to the business is the health of the UK residential property market.

Confidence in this market is affected by a number of factors such as the economic performance and stability of the country generally, the availability of mortgage finance and particularly matters such as the interest rate applied to mortgage lending and the security and mobility of employment

Financial key performance indicators

Management monitors the performance of the business by reference to internal budgets and industry averages. These indicators are considered sufficient to provide an overview of business performance relative to expectations and market trends.

There are no other significant key performance indicators.

KINLEIGH FOLKARD & HAYWARD LIMITED

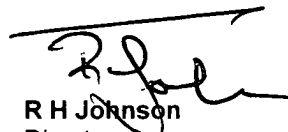
STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Directors' statement of compliance with duty to promote the success of the Company

The directors of Kinleigh Folkard & Hayward Limited consider that they have fulfilled their individual and collective duty under section 172(1) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of shareholders as a whole.

This has been achieved through strong systemic controls; investment in our staff through training and incentives; and a focus on high standards of customer service. All share classes have representation at Board level and the Board is committed to a strategy that will drive long term value for all equity holders in the business.

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



R H Johnson
Director

Date: 27 September 2022

KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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

Directors

The directors who served during the year were:

R M Cleminson
L Hawkins
R H Johnson
N J Swinburne

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 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 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 £977,796 (2020 - £1,001,951).

The directors do not recommend the payment of a dividend and the profit for the year will be transferred to reserves.

Future developments

The directors maintain management policies that continue to support sustained organic growth across the Company.

KINLEIGH FOLKARD & HAYWARD LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 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 director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Warrener Stewart, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



R H Johnson
Director

Date: 27 September 2022

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINLEIGH FOLKARD & HAYWARD LIMITED

Opinion

We have audited the financial statements of Kinleigh Folkard & Hayward Limited (the 'Company') for the year ended 31 December 2021, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, 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 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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.

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.

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINLEIGH FOLKARD & HAYWARD LIMITED (CONTINUED)

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.

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 assessment of the susceptibility of the entity's financial statements to material misstatement, including how fraud might occur, is considered to be low. This conclusion was reached after consideration of the following:

- a high level of review of key performance and similar indicators;
- a high level of informed management within the finance function;
- the general absence of individuals with opportunity and authority to override controls; and
- a group-wide policy of not entering into transactions with related parties.

KINLEIGH FOLKARD & HAYWARD LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KINLEIGH FOLKARD & HAYWARD LIMITED (CONTINUED)

We designed our audit procedures to respond to identified audit risks, including non-compliance with laws and regulations (irregularities) that are material to the financial statements. Some of the specific procedures performed to detect irregularities, including fraud, are detailed below:

- review of control accounts and journal entries for large, unusual or unauthorised entries;
- analytical review of the detailed profit and loss account for variances that are either unexpected or felt not to be in accordance with our understanding of the business during the year
- obtaining and reviewing for completeness a list of entities and persons considered to be related parties (as defined by Financial Reporting Standard 102) and reviewing the ledgers of the Company for previously unreported related party transactions; and
- a review of transactions and journals for any indication of fraud or management override.

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.



Colin Edney (Senior Statutory Auditor)

for and on behalf of
Warrener Stewart

Chartered Accountants

Harwood House
43 Harwood Road
London
SW6 4QP

28 September 2022

KINLEIGH FOLKARD & HAYWARD LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	3	6,578,898	6,145,454
Other external charges		(1,078,916)	(1,028,211)
Staff costs		(4,294,847)	(3,871,227)
Depreciation and amortisation		(8,247)	(6,694)
Operating profit		1,196,888	1,239,322
Interest receivable and similar income	7	-	57
Interest payable and similar expenses		(1,290)	-
Profit before tax		1,195,598	1,239,379
Tax on profit	9	(217,802)	(237,428)
Profit for the financial year		977,796	1,001,951

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021 (2020:£NIL).

The notes on pages 11 to 20 form part of these financial statements.

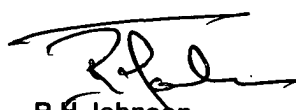
KINLEIGH FOLKARD & HAYWARD LIMITED

REGISTERED NUMBER:02965708

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021**

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	59,874	21,277
		<u>59,874</u>	<u>21,277</u>
Current assets			
Debtors: amounts falling due within one year	12	1,156,628	1,806,654
Cash at bank and in hand	13	1,543,551	5,297,205
		<u>2,700,179</u>	<u>7,103,859</u>
Creditors: amounts falling due within one year	14	(1,592,332)	(941,486)
Net current assets		<u>1,107,847</u>	<u>6,162,373</u>
Total assets less current liabilities		<u>1,167,721</u>	<u>6,183,650</u>
Provisions for liabilities			
Deferred tax	16	(6,275)	-
		<u>(6,275)</u>	<u>-</u>
Net assets		<u><u>1,161,446</u></u>	<u><u>6,183,650</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		1,161,444	6,183,648
		<u><u>1,161,446</u></u>	<u><u>6,183,650</u></u>

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



R H Johnson
Director

Date: 27 September 2022

The notes on pages 11 to 20 form part of these financial statements.

KINLEIGH FOLKARD & HAYWARD LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	2	5,181,697	5,181,699
Profit for the year	-	1,001,951	1,001,951
At 1 January 2021	2	6,183,648	6,183,650
Profit for the year	-	977,796	977,796
Dividends: Equity capital	-	(6,000,000)	(6,000,000)
At 31 December 2021	2	1,161,444	1,161,446

The notes on pages 11 to 20 form part of these financial statements.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. General information

Kinleigh Folkard and Hayward Limited is a company limited by shares incorporated in England. The registered office is KFH House, 5 Compton Road, London, SW19 7QA.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in Sterling, which is the functional currency of the Company.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Kinleigh Limited as at 31 December 2021 and these financial statements may be obtained from Companies House, Crown Way, Cardiff, CF14 1UZ..

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 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.

Revenue from survey, valuation and professional fees is recognised in full at the invoice date net of refunds.

Revenue from commercial property sales is recognised in respect of all transactions exchanged in the accounting period.

All revenue is stated net of VAT.

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.5 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 profit or loss 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.

Coronavirus related grants are deducted from the relevant cost category within the profit and loss account.

2.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.7 Finance costs

Finance costs are charged to profit or loss 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.

2.8 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 profit or loss 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.

2.9 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.10 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.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.10 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Office equipment	- 25% - 33% 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 profit or loss.

2.11 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.

2.12 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.

2.13 Creditors

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

2.14 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

2. Accounting policies (continued)

2.15 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 accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

2.16 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.

3. Turnover

The whole of the turnover is attributable to the Company's principal activity.

All turnover arose within the United Kingdom.

4. Auditors' remuneration

Audit fees are borne by the Company's parent undertaking.

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

5. Employees

Staff costs, including directors' remuneration, were as follows:

	2021 £	2020 £
Wages and salaries	3,751,848	3,353,481
Social security costs	474,722	447,525
Cost of defined contribution scheme	68,277	70,221
	<u>4,294,847</u>	<u>3,871,227</u>

In 2020, staff costs were stated net of grants of £475,850 received under the Coronavirus Job Retention Scheme.

The average monthly number of employees, including directors, during the year was 63 (2020 - 59).

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

6. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	284,690	262,674

During the year retirement benefits were accruing to 3 directors (2020 - 3) in respect of defined contribution pension schemes.

7. Interest receivable

	2021 £	2020 £
Other interest receivable	-	57

8. Interest payable and similar expenses

	2021 £	2020 £
Other interest payable	1,290	-

9. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	210,302	238,665
Adjustments in respect of previous periods	(199)	187
	210,103	238,852
Deferred tax		
Origination and reversal of timing differences	7,699	(1,424)
Taxation on profit on ordinary activities	217,802	237,428

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2020 - lower 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>1,195,598</u>	<u>1,239,379</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	227,164	235,482
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	-	328
Capital allowances for year lower than/(in excess of) depreciation	(10,501)	165
Adjustments to tax charge in respect of prior periods	(199)	187
Increase or decrease in pension fund prepayment leading to an increase (decrease) in tax	(175)	2,705
Other timing differences leading to an increase (decrease) in taxation	420	(15)
Group relief	(6,606)	-
Deferred taxation	7,699	(1,424)
Total tax charge for the year	<u>217,802</u>	<u>237,428</u>

Factors that may affect future tax charges

There were no material factors that might affect future tax charges.

10. Dividends

	2021 £	2020 £
Interim dividend on equity share capital	<u>6,000,000</u>	<u>-</u>

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

11. Tangible fixed assets

	Office equipment £
Cost or valuation	
At 1 January 2021	287,991
Additions	46,844
At 31 December 2021	<u>334,835</u>
Depreciation	
At 1 January 2021	266,714
Charge for the year on owned assets	8,247
At 31 December 2021	<u>274,961</u>
Net book value	
At 31 December 2021	<u><u>59,874</u></u>
At 31 December 2020	<u><u>21,277</u></u>

12. Debtors

	2021 £	2020 £
Trade debtors	925,293	1,112,791
Amounts owed by group undertakings	190,890	626,300
Other debtors	249	1,609
Prepayments and accrued income	40,196	64,530
Deferred taxation	-	1,424
	<u><u>1,156,628</u></u>	<u><u>1,806,654</u></u>

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

13. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	<u>1,543,551</u>	<u>5,297,205</u>

14. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	32,929	36,722
Amounts owed to group undertakings	719,596	-
Corporation tax	210,302	238,665
Other taxation and social security	411,113	487,453
Other creditors	13,316	15,217
Accruals and deferred income	205,076	163,429
	<u>1,592,332</u>	<u>941,486</u>

15. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	1,543,551	5,297,205
Financial assets that are debt instruments measured at amortised cost	925,542	1,740,700
	<u>2,469,093</u>	<u>7,037,905</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>780,027</u>	<u>215,368</u>

Financial assets measured at fair value through profit or loss comprise cash and cash equivalents.

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

Financial liabilities measured at amortised cost comprise trade and other amounts payable.

KINLEIGH FOLKARD & HAYWARD LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

16. Deferred taxation

	2021 £	2020 £
Deferred tax liability/(asset)		
At beginning of year	(1,424)	-
Charged to profit or loss	7,699	(1,424)
At end of year	6,275	(1,424)

The deferred taxation balance is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	8,805	1,281
Pension surplus	(2,530)	(2,705)
	6,275	(1,424)

17. Pension commitments

The company operates a defined contribution 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 £68,277 (2020: £70,221).

18. Controlling party

The ultimate parent undertaking is Kinleigh Limited, a company registered in England.

L T Watts is the controlling shareholder of Kinleigh Limited.