

G. Walters (Leasing) Limited
Strategic Report, Report of the Directors and
Audited Financial Statements
for the Year Ended 28 February 2021

O'Brien & Partners
Chartered Accountants
& Statutory Auditors
Highdale House, Main Avenue
Treforest Industrial Estate
Pontypridd, Rhondda Cynon Taff
CF37 5YR

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for the Year Ended 28 February 2021**

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G. Walters (Leasing) Limited
Company Information
for the Year Ended 28 February 2021

DIRECTORS:	S C Llewellyn M E R Llewellyn
SECRETARY:	S C Llewellyn
REGISTERED OFFICE:	Hirwaun House Hirwaun Industrial Estate Hirwaun Aberdare Rhondda Cynon Taff CF44 9UL
REGISTERED NUMBER:	03788464 (England and Wales)
AUDITORS:	O'Brien & Partners Chartered Accountants & Statutory Auditors Highdale House, Main Avenue Treforest Industrial Estate Pontypridd, Rhondda Cynon Taff CF37 5YR
SOLICITORS:	Hugh James Two Central Square Cardiff CF10 1FS

**Strategic Report
for the Year Ended 28 February 2021**

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

REVIEW OF BUSINESS

The annexed financial statements indicate the results for the year along with the financial standing and accounting details of the company.

G Walters (Leasing) Limited continually monitors group requirements for plant and machinery and vehicles and invests in the fleet accordingly. The company has no borrowings and both liquidity and reserves are very strong. Together with good relationships with customers and suppliers, this puts the company in an excellent position to make the most of business opportunities that arise in the new financial year.

Key financial highlights

The key financial highlights are as follows:

	2021	2020	2019	2018
Gross profit margin	36.87%	43.93%	48.39%	45.06%
Profit before tax	34.26%	41.04%	44.47%	41.28%
Gearing ratio	0%	0%	0%	0%

PRINCIPAL RISKS AND UNCERTAINTIES

The company continually monitors its existing commitments and the potential impact of opportunities to ensure it does not over commit itself. The company understands that good risk management is key to successful trading. Asset additions are carefully planned to consider financial outlay, price and the timing of availability.

The Covid-19 outbreak developed rapidly during the year with a number of lockdowns and these Government measures had a significant impact on the general economy. The directors implemented a number of measures to monitor and limit the effects of the pandemic.

The direct impact on the business and operating results has been limited, in part due to the range of business areas in which its customers operate, thus spreading the risk of the effect on any one area. The company has followed and implemented the latest Government guidelines to ensure its operations continue in the safest and most efficient way possible and it will continue to do so.

The business' risks are associated with its financial instruments as described in the directors' report.

ON BEHALF OF THE BOARD:

M E R Llewellyn - Director

10 November 2021

**Report of the Directors
for the Year Ended 28 February 2021**

The directors present their report with the financial statements of the company for the year ended 28 February 2021.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the leasing of assets and purchase and sale of equipment.

DIVIDENDS

No dividends will be distributed for the year ended 28 February 2021.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 March 2020 to the date of this report.

S C Llewellyn
M E R Llewellyn

FINANCIAL INSTRUMENTS

The company's principal financial instruments comprise of bank balances, trade debtors, trade creditors and group inter company loans. The main purpose of these instruments is to raise funds for the company's operations and to finance the company's operations.

Due to the nature of the financial instruments used by the company there is no exposure to price risk. The company's approach to managing other risks applicable to the financial instruments concerned is shown below.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits.

Trade creditors liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Financial support from parent and other subsidiary undertakings is provided and available to support financing the company's operations. Finance leases on assets to a group undertaking has a fixed interest rate implicit in the lease.

DIRECTORS' LIABILITY INSURANCE

A liability insurance policy was in force during the financial year for the benefit of the directors of the company.

FUTURE DEVELOPMENTS

The future prospects of the company remain positive despite the Covid-19 pandemic.

The directors continue to review the leasing requirements of its fellow group companies along with consideration of wider opportunities and adjust the company's fleet accordingly.

The directors are confident that the reputation and standing of the company will continue to enable the company to achieve ongoing financial and operational success.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 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.

**Report of the Directors
for the Year Ended 28 February 2021**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, O'Brien & Partners, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M E R Llewellyn - Director

10 November 2021

Report of the Independent Auditors to the Members of G. Walters (Leasing) Limited

Opinion

We have audited the financial statements of G. Walters (Leasing) Limited (the 'company') for the year ended 28 February 2021 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

**Report of the Independent Auditors to the Members of
G. Walters (Leasing) Limited**

Responsibilities of directors

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

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

Report of the Independent Auditors to the Members of G. Walters (Leasing) Limited

Auditors' responsibilities for the audit of the financial statements

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

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:

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following:

- The nature of the industry and sector, control environment and business performance;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: timing of recognition of income.. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included UK Companies Act, health and safety and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error.

As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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

**Report of the Independent Auditors to the Members of
G. Walters (Leasing) Limited**

Use of our report

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

Lewis Van Emden (Senior Statutory Auditor)
for and on behalf of O'Brien & Partners
Chartered Accountants
& Statutory Auditors
Highdale House, Main Avenue
Treforest Industrial Estate
Pontypridd, Rhondda Cynon Taff
CF37 5YR

11 November 2021

G. Walters (Leasing) Limited (Registered number: 03788464)

**Statement of Comprehensive
Income
for the Year Ended 28 February 2021**

	Notes	28.2.21 £	29.2.20 £
TURNOVER	3	17,126,883	19,740,089
Cost of sales		<u>10,812,916</u>	<u>11,067,683</u>
GROSS PROFIT		6,313,967	8,672,406
Administrative expenses		<u>465,344</u>	<u>592,036</u>
OPERATING PROFIT	5	5,848,623	8,080,370
Interest receivable and similar income		<u>23,288</u>	<u>44,852</u>
		5,871,911	8,125,222
Interest payable and similar expenses	6	<u>4,508</u>	<u>23,571</u>
PROFIT BEFORE TAXATION		5,867,403	8,101,651
Tax on profit	7	<u>1,565,665</u>	<u>1,540,316</u>
PROFIT FOR THE FINANCIAL YEAR		4,301,738	6,561,335
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>4,301,738</u>	<u>6,561,335</u>

The notes form part of these financial statements

G. Walters (Leasing) Limited (Registered number: 03788464)

**Statement of Financial Position
28 February 2021**

	Notes	28.2.21 £	£	29.2.20 £	£
FIXED ASSETS					
Tangible assets	9		65,682,163		70,912,494
CURRENT ASSETS					
Debtors	10	10,895,307		9,542,225	
Cash at bank		<u>10,669,169</u>		<u>2,108,694</u>	
		21,564,476		11,650,919	
CREDITORS					
Amounts falling due within one year	11	<u>1,756,129</u>		<u>1,785,979</u>	
NET CURRENT ASSETS			<u>19,808,347</u>		<u>9,864,940</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			85,490,510		80,777,434
PROVISIONS FOR LIABILITIES	12		<u>4,252,127</u>		<u>3,840,789</u>
NET ASSETS			<u>81,238,383</u>		<u>76,936,645</u>
CAPITAL AND RESERVES					
Called up share capital	13		2		2
Retained earnings	14		<u>81,238,381</u>		<u>76,936,643</u>
SHAREHOLDERS' FUNDS			<u>81,238,383</u>		<u>76,936,645</u>

The financial statements were approved by the Board of Directors and authorised for issue on 10 November 2021 and were signed on its behalf by:

M E R Llewellyn - Director

The notes form part of these financial statements

G. Walters (Leasing) Limited (Registered number: 03788464)

**Statement of Changes in Equity
for the Year Ended 28 February 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 March 2019	2	78,375,308	78,375,310
Changes in equity			
Dividends	-	(8,000,000)	(8,000,000)
Total comprehensive income	-	6,561,335	6,561,335
Balance at 29 February 2020	2	76,936,643	76,936,645
Changes in equity			
Total comprehensive income	-	4,301,738	4,301,738
Balance at 28 February 2021	2	81,238,381	81,238,383

The notes form part of these financial statements

**Notes to the Financial Statements
for the Year Ended 28 February 2021**

1. STATUTORY INFORMATION

G. Walters (Leasing) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepared 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 taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirement of paragraph 33.7.

The financial statements of the company are consolidated in the financial statements of G Walters (Holdings) Limited. These consolidated financial statements are available from its registered office, Hirwaun House, Hirwaun Industrial Estate, Hirwaun, Aberdare, CF44 9UL.

Significant judgements and estimates

In the application of the company's accounting policies, the management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Turnover

Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of discounts and rebates allowed by the company and value added tax.

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profit on a straight line basis over the lease term.

Hire purchase and finance lease income is recognised in the profit and loss account using the sum of digits method, to give a period rate of return on the net cash investment over the period of the agreement.

Sales of plant equipment is recognised when the company has transferred to the buyer the significant risks and rewards of ownership of the goods; the company retains no continuing involvement or control over the goods; the amount of revenue can be measured reliably; and it is probable that future economic benefits will flow to the entity.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

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

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

All motor vehicles, plant & equipment are leased out under operating leases and so their cost less residual values are written off over their useful economic life. This leads to depreciation rates of 33.33% for motor vehicles and between 10% and 25% for plant and machinery.

Assets leased out under operating leases, that are included in tangible fixed assets, are depreciated over their useful lives.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

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.

3. TURNOVER

The turnover and profit before taxation are derived from the principal ordinary activities of the company, net of VAT.

4. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 28 February 2021 nor for the year ended 29 February 2020.

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

	28.2.21	29.2.20
Directors	<u>2</u>	<u>2</u>
	28.2.21	29.2.20
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

5. OPERATING PROFIT

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

	28.2.21	29.2.20
	£	£
Operating lease income	(16,809,875)	(19,127,253)
Finance lease income	(22,503)	(4,516)
Depreciation - owned assets	9,970,599	10,298,694
Loss on disposal of fixed assets	523,714	156,154
Auditors' remuneration	10,150	9,400
Foreign exchange differences	(90)	(48)
Sales of plant equipment	<u>(317,008)</u>	<u>(612,836)</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	28.2.21	29.2.20
	£	£
Bank interest	4,194	-
Other interest	314	23,571
	<u>4,508</u>	<u>23,571</u>

7. TAXATION

Analysis of the tax charge

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

	28.2.21	29.2.20
	£	£
Current tax:		
UK corporation tax	1,154,327	1,550,393
Under/(over) provision in prior year	-	(97)
Total current tax	<u>1,154,327</u>	<u>1,550,296</u>
Origination and reversal of timing differences	411,338	(9,980)
Tax on profit	<u>1,565,665</u>	<u>1,540,316</u>

UK corporation tax has been charged at 19% (2020 - 19%).

Reconciliation of total tax charge included in profit and loss

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

	28.2.21	29.2.20
	£	£
Profit before tax	<u>5,867,403</u>	<u>8,101,651</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,114,807	1,539,314
Effects of:		
Expenses not deductible for tax purposes	-	24
Adjustments to tax charge in respect of previous periods	-	(97)
Timing differences not recognised	(108)	-
Other tax adjustments, reliefs and transfers	(832)	(15,229)
Chargeable gains	-	15,229
Adjustments to brought forward values	(60)	-
Remeasurements of deferred tax changes for changes in tax rates	451,858	1,075
Total tax charge	<u>1,565,665</u>	<u>1,540,316</u>

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

7. TAXATION - continued

During the year the UK corporation tax rate remain static at 19%.

8. DIVIDENDS

	28.2.21	29.2.20
	£	£
Ordinary shares of £1 each		
Interim	<u>-</u>	<u>8,000,000</u>

9. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 March 2020	104,861,923	4,934,501	109,796,424
Additions	7,936,204	1,238,218	9,174,422
Disposals	(9,088,194)	(813,628)	(9,901,822)
At 28 February 2021	<u>103,709,933</u>	<u>5,359,091</u>	<u>109,069,024</u>
DEPRECIATION			
At 1 March 2020	36,489,941	2,393,989	38,883,930
Charge for year	9,164,633	805,966	9,970,599
Eliminated on disposal	(4,919,453)	(548,215)	(5,467,668)
At 28 February 2021	<u>40,735,121</u>	<u>2,651,740</u>	<u>43,386,861</u>
NET BOOK VALUE			
At 28 February 2021	<u>62,974,812</u>	<u>2,707,351</u>	<u>65,682,163</u>
At 29 February 2020	<u>68,371,982</u>	<u>2,540,512</u>	<u>70,912,494</u>

All of the assets above are leased to third parties under operating leases.

10. DEBTORS

	28.2.21	29.2.20
	£	£
Amounts falling due within one year:		
Trade debtors	73,560	950,931
Amounts owed by group undertakings	7,849,458	4,478,802
Amounts receivable in respect of finance leases by group undertaking	249,109	269,820
Other debtors	46,340	-
VAT	614,722	22,796
Prepayments and accrued income	2,062,118	3,570,768
	<u>10,895,307</u>	<u>9,293,117</u>
Amounts falling due after more than one year:		
Amounts receivable in respect of finance leases by group undertaking	<u>-</u>	<u>249,108</u>
Aggregate amounts	<u>10,895,307</u>	<u>9,542,225</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed repayment date and are repayable on demand.

Amounts receivable in respect of finance leases by group undertakings are charged interest and are secured on the assets to which they relate.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.21	29.2.20
	£	£
Trade creditors	34,611	131,141
Amounts owed to group undertakings	19,541	-
Tax	1,041,827	981,813
Accrued expenses	660,150	673,025
	<u>1,756,129</u>	<u>1,785,979</u>

12. PROVISIONS FOR LIABILITIES

	28.2.21	29.2.20
	£	£
Deferred tax	<u>4,252,127</u>	<u>3,840,789</u>
		Deferred tax
		£
Balance at 1 March 2020		3,840,789
Provided during year		(40,520)
Effects of changes in tax rate		451,858
Balance at 28 February 2021		<u>4,252,127</u>

13. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			28.2.21	29.2.20
Number:	Class:	Nominal value:	£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

14. RESERVES

	Retained earnings
	£
At 1 March 2020	76,936,643
Profit for the year	4,301,738
At 28 February 2021	<u>81,238,381</u>

15. ULTIMATE PARENT COMPANY

The company's parent undertaking at the balance sheet date was G Walters (Holdings) Limited, a company incorporated in England and Wales.

16. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

**Notes to the Financial Statements - continued
for the Year Ended 28 February 2021**

16. RELATED PARTY DISCLOSURES - continued

The company both sold to and purchased services from various fellow subsidiaries and other related parties during the year. All transactions were on an arms length basis and the total values of these transactions were as follows:

	28.02.21		29.02.20	
	Sales	Purchases	Sales	Purchases
Gorrel Equipment Solutions Limited	-	269,125	627,136	-
Walters UK Limited	902,750	-	909,800	-
Walters Plant Hire	17,128,437	47,883	13,637,225	-
All Terrain Tyres Limited	12,000	-	-	-
G Walters (Consultancy) Limited	-	100,000	-	100,000

Balances due at year end:

	28.02.21		29.02.20	
	Debtor	Creditor	Debtor	Creditor
Gorrel Equipment Solutions Limited	249,109	-	518,928	-
Walters UK Limited	86,100	-	87,720	-
Topshore Enterprises Pty Limited	9,713	-	9,713	-
Walters Plant Hire Limited	7,745,845	19,541	4,372,850	-
All Terrain	2,400	-	2,400	-

17. ULTIMATE CONTROLLING PARTY

The ultimate controlling parties at the year end were the trustees: Gweirydd Walters, Sarah Llewellyn, Richard Walters and Peter Hurn, of the Gweirydd Walters (Discretionary) Settlement, the major shareholder of G Walters (Holdings) Limited.

18. GUARANTEES

At 28th February 2021, the company and its fellow subsidiaries had active contract bonds of £1,412,007 (2020: £1,294,305). The company has a joint and several cross counter indemnity facility in respect of contract bonds. This indemnity was in relation to G Walters (Holdings) Limited, the ultimate parent undertaking, Walters UK Limited, G Walters (Leasing) Limited, Walters Resources Limited, Walters Plant Hire Limited, Walters Environmental Limited, Walters Land Limited and Headaway (Europe) Limited. It was also in relation to three companies outside the group: G Walters (Consultancy) Limited, Ffos Las Limited and Walters Land (Rogerstone) Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.