

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2018

FOR

WARD THOMAS REMOVALS LIMITED

WEDNESDAY



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26/06/2019
COMPANIES HOUSE

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FOR THE YEAR ENDED 30 SEPTEMBER 2018

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WARD THOMAS REMOVALS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2018

DIRECTORS:

A Ward Thomas
C A S Rickards
C Parry
T Bloch

SECRETARY:

J Kok

REGISTERED OFFICE:

141 Acton Lane
London
NW10 7PB

REGISTERED NUMBER:

05167541 (England and Wales)

AUDITORS:

Fawcetts LLP
Chartered Accountants
and Statutory Auditors
Windover House
St. Ann Street
Salisbury
SP1 2DR

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors present their strategic report for the year ended 30 September 2018.

REVIEW OF BUSINESS

The profit after tax for the year amounted to £2,571,383 compared to £2,478,738 in 2017.

The 2018 financial year is noted for the continued growth of our Specialist Logistics business and solid performance in our Removals business.

Health and safety, employees and environment

The company aims to identify, assess and control occupational health hazards and, where practicable, to eliminate work related diseases. Every new case of an occupational disease is reported.

Safety

The directors believe that every work-related incident, illness and injury is preventable. Every new case of a work related injury is reported to the board, including outcomes of and corrective action resulting from regular Health and Safety inspections.

Key performance indicators

The directors assess the performance of the business by reference to two basic measurements seeking to achieve an EBITDA of 15% and a PBIT of 10%. The board regularly meet to consider management accounts and to compare actual results to the stated financial objectives and budgets.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider the main financial risks to the business as being the volatility in the commercial and residential property market resulting from interest rate movements. The latter also has an effect on the interest payable on the group's bank loans. The group seeks to limit these business risks by offering on-site storage facilities to generate recurring income and by diversifying into other areas such as value added distribution services.

ON BEHALF OF THE BOARD:



C A S Rickards - Director

24 June 2019

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

The directors present their report with the financial statements of the company for the year ended 30 September 2018.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of specialist moving, distribution, warehousing, removals and storage.

DIVIDENDS

Interim dividends of 7.4p were paid on 3 November 2017, 2 February 2018 and 26 July 2018 together with a dividend of 5.8p per share paid on 26 April 2018.

The directors recommend that no final dividends be paid.

The total distribution for the year ended 30 September 2018 will be £850,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2017 to the date of this report.

A Ward Thomas
C A S Rickards
C Parry
T Bloch

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

AUDITORS

The auditors, Fawcetts LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to be 'C A S Rickards', written over a dotted line.

C A S Rickards - Director

24 June 2019

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WARD THOMAS REMOVALS LIMITED**

Opinion

We have audited the financial statements of Ward Thomas Removals Limited (the 'company') for the year ended 30 September 2018 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2018 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
WARD THOMAS REMOVALS LIMITED**

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 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.

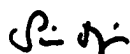
Auditors' responsibilities for the audit of the financial statements

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.

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.

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.



Simon Ellingham FCA (Senior Statutory Auditor)

for and on behalf of Fawcetts LLP

Chartered Accountants

and Statutory Auditors

Windover House

St. Ann Street

Salisbury

SP1 2DR

Date: 25 June 2015

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

| | Notes | 2018 £ | 2017 £ |
|--|-------|-------------------------|-------------------------|
| TURNOVER | | 20,245,620 | 18,096,802 |
| Cost of sales | | <u>10,981,360</u> | <u>9,337,998</u> |
| GROSS PROFIT | | 9,264,260 | 8,758,804 |
| Administrative expenses | | <u>6,168,175</u> | <u>5,723,707</u> |
| OPERATING PROFIT | | 3,096,085 | 3,035,097 |
| Exceptional items | 4 | <u>(40,984)</u> | <u>28,555</u> |
| | | 3,055,101 | 3,063,652 |
| Interest receivable and similar income | | <u>4,933</u> | <u>219</u> |
| | | 3,060,034 | 3,063,871 |
| Interest payable and similar expenses | 5 | <u>23,049</u> | <u>28,881</u> |
| PROFIT BEFORE TAXATION | 6 | 3,036,985 | 3,034,990 |
| Tax on profit | 7 | <u>465,602</u> | <u>556,252</u> |
| PROFIT FOR THE FINANCIAL YEAR | | <u><u>2,571,383</u></u> | <u><u>2,478,738</u></u> |

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2018

| | Notes | 2018 £ | 2017 £ |
|---|-------|------------------|------------------|
| PROFIT FOR THE YEAR | | 2,571,383 | 2,478,738 |
| OTHER COMPREHENSIVE INCOME | | <u>-</u> | <u>-</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | <u>2,571,383</u> | <u>2,478,738</u> |

The notes form part of these financial statements

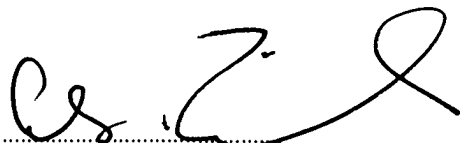
BALANCE SHEET
30 SEPTEMBER 2018

| | | 2018 | 2017 |
|--|-------|--------------------------|--------------------------|
| | Notes | £ | £ |
| FIXED ASSETS | | | |
| Intangible assets | 9 | 970,870 | 1,074,829 |
| Tangible assets | 10 | 2,704,872 | 1,869,148 |
| Investments | 11 | <u>792,283</u> | <u>792,283</u> |
| | | 4,468,025 | 3,736,260 |
| CURRENT ASSETS | | | |
| Debtors | 12 | 11,804,933 | 10,407,358 |
| Cash at bank | | <u>3,370,315</u> | <u>3,725,892</u> |
| | | 15,175,248 | 14,133,250 |
| CREDITORS | | | |
| Amounts falling due within one year | 13 | <u>6,544,525</u> | <u>6,369,479</u> |
| NET CURRENT ASSETS | | <u>8,630,723</u> | <u>7,763,771</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | 13,098,748 | 11,500,031 |
| CREDITORS | | | |
| Amounts falling due after more than one year | 14 | (401,626) | (516,054) |
| PROVISIONS FOR LIABILITIES | 17 | <u>(96,288)</u> | <u>(104,526)</u> |
| NET ASSETS | | <u><u>12,600,834</u></u> | <u><u>10,879,451</u></u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 18 | 2,884,187 | 2,884,187 |
| Share premium | 19 | 764,981 | 764,981 |
| Capital redemption reserve | 19 | 921,794 | 921,794 |
| Retained earnings | 19 | <u>8,029,872</u> | <u>6,308,489</u> |
| SHAREHOLDERS' FUNDS | | <u><u>12,600,834</u></u> | <u><u>10,879,451</u></u> |

The notes form part of these financial statements

BALANCE SHEET - continued
30 SEPTEMBER 2018

The financial statements were approved and authorised for issue by the Board of Directors on 24 June 2019 and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'C A S Rickards', written over a dotted line.

C A S Rickards - Director

The notes form part of these financial statements

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

| | Called up share capital £ | Retained earnings £ | Share premium £ | Capital redemption reserve £ | Total equity £ |
|-------------------------------------|------------------------------------|---------------------------|-----------------------|---------------------------------------|----------------------|
| Balance at 1 October 2016 | 2,884,187 | 4,229,751 | 764,981 | 921,794 | 8,800,713 |
| Changes in equity | | | | | |
| Dividends | - | (400,000) | - | - | (400,000) |
| Total comprehensive income | - | 2,478,738 | - | - | 2,478,738 |
| Balance at 30 September 2017 | <u>2,884,187</u> | <u>6,308,489</u> | <u>764,981</u> | <u>921,794</u> | <u>10,879,451</u> |
| Changes in equity | | | | | |
| Dividends | - | (850,000) | - | - | (850,000) |
| Total comprehensive income | - | 2,571,383 | - | - | 2,571,383 |
| Balance at 30 September 2018 | <u>2,884,187</u> | <u>8,029,872</u> | <u>764,981</u> | <u>921,794</u> | <u>12,600,834</u> |

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018

| | | 2018 | 2017 |
|---|-------|-------------------------|-------------------------|
| | Notes | £ | £ |
| Cash flows from operating activities | | | |
| Cash generated from operations | 1 | 2,797,378 | 5,807,482 |
| Interest paid | | (624) | (4,712) |
| Interest element of hire purchase payments paid | | (22,425) | (24,169) |
| Tax paid | | <u>(632,494)</u> | <u>(780,451)</u> |
| Net cash from operating activities | | <u>2,141,835</u> | <u>4,998,150</u> |
| Cash flows from investing activities | | | |
| Purchase of intangible fixed assets | | (59,000) | - |
| Purchase of tangible fixed assets | | (1,582,442) | (334,625) |
| Sale of tangible fixed assets | | 33,247 | 9,651 |
| Interest received | | <u>4,933</u> | <u>219</u> |
| Net cash from investing activities | | <u>(1,603,262)</u> | <u>(324,755)</u> |
| Cash flows from financing activities | | | |
| Loan repayments in year | | - | (494,400) |
| New hire purchase agreements | | 570,424 | 334,461 |
| Capital repayments in year | | (614,574) | (505,071) |
| Equity dividends paid | | <u>(850,000)</u> | <u>(400,000)</u> |
| Net cash from financing activities | | <u>(894,150)</u> | <u>(1,065,010)</u> |
| (Decrease)/increase in cash and cash equivalents | | <u>(355,577)</u> | <u>3,608,385</u> |
| Cash and cash equivalents at beginning of year | 2 | <u>3,725,892</u> | <u>117,507</u> |
| Cash and cash equivalents at end of year | 2 | <u><u>3,370,315</u></u> | <u><u>3,725,892</u></u> |

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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

| | 2018 | 2017 |
|--|-------------------------|-------------------------|
| | £ | £ |
| Profit before taxation | 3,036,985 | 3,034,990 |
| Depreciation charges | 835,318 | 781,267 |
| Loss on disposal of fixed assets | 41,112 | 1,826 |
| Finance costs | 23,049 | 28,881 |
| Finance income | <u>(4,933)</u> | <u>(219)</u> |
| | 3,931,531 | 3,846,745 |
| (Increase)/decrease in trade and other debtors | <u>(1,397,575)</u> | 214,264 |
| Increase in trade and other creditors | <u>263,422</u> | <u>1,746,473</u> |
| Cash generated from operations | <u><u>2,797,378</u></u> | <u><u>5,807,482</u></u> |

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2018

| | 30.9.18 | 1.10.17 |
|---------------------------|-------------------------|-------------------------|
| | £ | £ |
| Cash and cash equivalents | <u><u>3,370,315</u></u> | <u><u>3,725,892</u></u> |

Year ended 30 September 2017

| | 30.9.17 | 1.10.16 |
|---------------------------|-------------------------|-----------------------|
| | £ | £ |
| Cash and cash equivalents | <u><u>3,725,892</u></u> | <u><u>117,507</u></u> |

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2018

1. **STATUTORY INFORMATION**

Ward Thomas Removals 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.

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 on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the company.

Preparation of consolidated financial statements

The financial statements contain information about Ward Thomas Removals Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Master Removers Group Limited.

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Goodwill

Amortisation is calculated so as to write off the cost of goodwill paid in connection with the acquisition of a business over its estimated useful life. The goodwill arising on companies acquired prior to 30 September 2005 is being amortised over 20 years. Goodwill arising on all subsequent acquisitions is being amortised over 3 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

| | |
|---------------------------------|-------------------------------|
| Freehold and leasehold property | - Straight line over 30 years |
| Plant and machinery | - 25% on cost |
| Motor vehicles | - 10% to 20% on cost |

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Repair, renovation and replacement expenditure is written off as expenditure in the profit and loss account. The cost of fixed assets is their purchase cost, together with any incidental costs of acquisition.

Investments in subsidiaries

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

2. **ACCOUNTING POLICIES - continued**

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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 balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet 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.

Pension costs and other post-retirement benefits

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

Hire purchase and leasing commitments

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of future payments is treated as a liability and the interest is charged to the profit and loss account on a straight line basis.

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

Financial instruments

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

2. ACCOUNTING POLICIES - continued**Exceptional items**

The company classifies certain one-off charges or credits that have a material impact on the financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

3. EMPLOYEES AND DIRECTORS

| | 2018 | 2017 |
|-----------------------|-------------------------|-------------------------|
| | £ | £ |
| Wages and salaries | 7,416,384 | 6,469,602 |
| Social security costs | 646,389 | 549,504 |
| Other pension costs | <u>89,304</u> | <u>57,349</u> |
| | <u><u>8,152,077</u></u> | <u><u>7,076,455</u></u> |

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

| | 2018 | 2017 |
|--------------------------------|-------------------|-------------------|
| Sales and administration staff | 56 | 51 |
| Operations staff | <u>166</u> | <u>141</u> |
| | <u><u>222</u></u> | <u><u>192</u></u> |

| | 2018 | 2017 |
|--|--------------|--------------|
| | £ | £ |
| Directors' remuneration | 93,190 | 183,812 |
| Directors' pension contributions to money purchase schemes | <u>4,198</u> | <u>3,000</u> |

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

| | | |
|------------------------|-----------------|-----------------|
| Money purchase schemes | <u><u>1</u></u> | <u><u>1</u></u> |
|------------------------|-----------------|-----------------|

4. EXCEPTIONAL ITEMS

| | 2018 | 2017 |
|-------------------|------------------------|----------------------|
| | £ | £ |
| Exceptional items | <u><u>(40,984)</u></u> | <u><u>28,555</u></u> |

The exceptional expenditure in the year relates to one off costs that in line with the accounting policy are shown separately on the face of the profit and loss account.

During the previous year deferred income was released in respect of funds received in 2013 as part of the company's purchase of Allport Cargo Services.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

5. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2018 | 2017 |
|--------------------|---------------|---------------|
| | £ | £ |
| Bank loan interest | - | 2,170 |
| Other interest | 624 | 2,542 |
| Hire purchase | <u>22,425</u> | <u>24,169</u> |
| | <u>23,049</u> | <u>28,881</u> |

6. PROFIT BEFORE TAXATION

The profit is stated after charging:

| | 2018 | 2017 |
|--|-----------------|---------------|
| | £ | £ |
| Depreciation - owned assets | 424,883 | 303,191 |
| Depreciation - assets on hire purchase contracts | 247,476 | 334,784 |
| Loss on disposal of fixed assets | 41,112 | 1,826 |
| Goodwill amortisation | 162,959 | 143,292 |
| Auditors' remuneration - current auditor | <u>(10,800)</u> | <u>33,600</u> |

7. TAXATION**Analysis of the tax charge**

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

| | 2018 | 2017 |
|--------------------------------------|----------------|-----------------|
| | £ | £ |
| Current tax: | | |
| UK corporation tax | 473,840 | 585,517 |
| (Over)/Under provision in prior year | <u>-</u> | <u>(569)</u> |
| Total current tax | 473,840 | 584,948 |
| Deferred tax | <u>(8,238)</u> | <u>(28,696)</u> |
| Tax on profit | <u>465,602</u> | <u>556,252</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

7. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

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

| | 2018 £ | 2017 £ |
|--|-------------------|-------------------|
| Profit before tax | <u>3,036,985</u> | <u>3,034,990</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%) | 577,027 | 576,648 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 34 | 402 |
| Depreciation in excess of capital allowances | 41,651 | 59,471 |
| Adjustments to tax charge in respect of previous periods | - | (569) |
| Effect of changes in the tax rate options exercised | - | 15,175 |
| Group relief | (144,872) | (66,179) |
| Movement on deferred tax disposal of freehold property | (8,238) | (28,696) |
| | <u> </u> | <u> </u> |
| Total tax charge | <u>465,602</u> | <u>556,252</u> |

8. DIVIDENDS

| | 2018 £ | 2017 £ |
|--------------------------------------|----------------|----------------|
| Ordinary shares shares of £1 each | | |
| Interim | 849,560 | 399,793 |
| Ordinary shares shares of £0.01 each | | |
| Interim | <u>440</u> | <u>207</u> |
| | <u>850,000</u> | <u>400,000</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

9. INTANGIBLE FIXED ASSETS

| | Goodwill £ |
|-----------------------|------------------|
| COST | |
| At 1 October 2017 | 3,407,966 |
| Additions | <u>59,000</u> |
| At 30 September 2018 | <u>3,466,966</u> |
| AMORTISATION | |
| At 1 October 2017 | 2,333,137 |
| Amortisation for year | <u>162,959</u> |
| At 30 September 2018 | <u>2,496,096</u> |
| NET BOOK VALUE | |
| At 30 September 2018 | <u>970,870</u> |
| At 30 September 2017 | <u>1,074,829</u> |

10. TANGIBLE FIXED ASSETS

| | Freehold and leasehold property £ | Plant and machinery £ | Motor vehicles £ | Totals £ |
|------------------------|---|-----------------------------|------------------------|------------------|
| COST | | | | |
| At 1 October 2017 | 138,070 | 715,637 | 3,538,277 | 4,391,984 |
| Additions | 43,498 | 266,123 | 1,272,821 | 1,582,442 |
| Disposals | <u>-</u> | <u>-</u> | <u>(394,491)</u> | <u>(394,491)</u> |
| At 30 September 2018 | <u>181,568</u> | <u>981,760</u> | <u>4,416,607</u> | <u>5,579,935</u> |
| DEPRECIATION | | | | |
| At 1 October 2017 | 79,339 | 540,558 | 1,902,939 | 2,522,836 |
| Charge for year | 13,807 | 130,795 | 527,757 | 672,359 |
| Eliminated on disposal | <u>-</u> | <u>-</u> | <u>(320,132)</u> | <u>(320,132)</u> |
| At 30 September 2018 | <u>93,146</u> | <u>671,353</u> | <u>2,110,564</u> | <u>2,875,063</u> |
| NET BOOK VALUE | | | | |
| At 30 September 2018 | <u>88,422</u> | <u>310,407</u> | <u>2,306,043</u> | <u>2,704,872</u> |
| At 30 September 2017 | <u>58,731</u> | <u>175,079</u> | <u>1,635,338</u> | <u>1,869,148</u> |

Included within the net book value of fixed assets, both group and company, is £1,690,375 (2017 £1,000,600) in respect of assets held under hire purchase agreements.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

11. FIXED ASSET INVESTMENTS

| | Shares in group undertakings £ | Unlisted investments £ | Totals £ |
|--|---|------------------------------|------------------|
| COST | | | |
| At 1 October 2017 and 30 September 2018 | <u>1,437,381</u> | <u>19,711</u> | <u>1,457,092</u> |
| PROVISIONS | | | |
| At 1 October 2017 and 30 September 2018 | <u>664,809</u> | <u>-</u> | <u>664,809</u> |
| NET BOOK VALUE | | | |
| At 30 September 2018 | <u>772,572</u> | <u>19,711</u> | <u>792,283</u> |
| At 30 September 2017 | <u>772,572</u> | <u>19,711</u> | <u>792,283</u> |

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Moves Group Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Maitland Bell Removals Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

| | | |
|--------------------------------|----------|----------|
| | 2018 | 2017 |
| | £ | £ |
| Aggregate capital and reserves | <u>2</u> | <u>2</u> |

Net Moves Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Moves Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

11. FIXED ASSET INVESTMENTS - continued**Moves (London) Limited**

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

Tom Williams Deliveries Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

| | | |
|--------------------------------|----------|----------|
| | 2018 | 2017 |
| | £ | £ |
| Aggregate capital and reserves | <u>2</u> | <u>2</u> |

Distance Limited

Registered office: 141 Acton Lane, London, NW10 7PB

Nature of business: Dormant

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

| | | |
|--------------------------------|----------------|----------------|
| | 2018 | 2017 |
| | £ | £ |
| Aggregate capital and reserves | <u>217,000</u> | <u>217,000</u> |

Lawrence Astridge Removals Limited

Registered office: 22 Bookham Industrial Park, Church Road, Great Bookham, Surrey, KT23 3EU

Nature of business: Removals and storage

| | |
|------------------|---------|
| | % |
| Class of shares: | holding |
| Ordinary | 100.00 |

| | | |
|--------------------------------|------------|-----------------|
| | 2018 | 2017 |
| | £ | £ |
| Aggregate capital and reserves | 356,868 | 356,751 |
| Profit/(loss) for the year | <u>117</u> | <u>(21,394)</u> |

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | | |
|--------------------------|-------------------|-------------------|
| | 2018 | 2017 |
| | £ | £ |
| Trade debtors | 3,270,604 | 3,065,774 |
| Due from group companies | 7,493,405 | 6,562,225 |
| Other debtors | 9,260 | 19,101 |
| Prepayments | <u>1,031,664</u> | <u>760,258</u> |
| | <u>11,804,933</u> | <u>10,407,358</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2018 | 2017 |
|---------------------------------------|------------------|------------------|
| | £ | £ |
| Hire purchase contracts (see note 15) | 353,319 | 283,041 |
| Payments on account | 77,885 | 62,105 |
| Trade creditors | 868,337 | 652,692 |
| Owed to group companies | 2,734,780 | 3,291,340 |
| Corporation tax | 160,906 | 319,560 |
| Social security and other taxes | 785,018 | 426,627 |
| Accruals and deferred income | <u>1,564,280</u> | <u>1,334,114</u> |
| | <u>6,544,525</u> | <u>6,369,479</u> |

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

| | 2018 | 2017 |
|---------------------------------------|----------------|----------------|
| | £ | £ |
| Hire purchase contracts (see note 15) | <u>401,626</u> | <u>516,054</u> |

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

| | Hire purchase contracts 2018 | 2017 |
|----------------------------|-------------------------------------|-------------------|
| | £ | £ |
| Net obligations repayable: | | |
| Within one year | 353,319 | 283,041 |
| Between one and five years | <u>401,626</u> | <u>516,054</u> |
| | <u>754,945</u> | <u>799,095</u> |
| | | |
| | Non-cancellable operating leases | |
| | 2018 | 2017 |
| | £ | £ |
| Within one year | 1,639,667 | 1,462,232 |
| Between one and five years | 6,691,820 | 5,768,708 |
| In more than five years | <u>8,621,931</u> | <u>8,557,479</u> |
| | <u>16,953,418</u> | <u>15,788,419</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

16. SECURED DEBTS

The following secured debts are included within creditors:

| | 2018 £ | 2017 £ |
|-------------------------|----------------|----------------|
| Hire purchase contracts | <u>754,945</u> | <u>799,095</u> |

Amounts due under hire purchase agreements are secured on their associated assets.

17. PROVISIONS FOR LIABILITIES

| | 2018 £ | 2017 £ |
|--|---------------|-------------------|
| Deferred tax | <u>96,288</u> | <u>104,526</u> |
| | | Deferred tax £ |
| Balance at 1 October 2017 | | 104,526 |
| Credit to Income Statement during year | | <u>(8,238)</u> |
| Balance at 30 September 2018 | | <u>96,288</u> |

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

| Number: | Class: | Nominal value: | 2018 £ | 2017 £ |
|-----------|-----------------|----------------|------------------|------------------|
| 2,882,694 | Ordinary shares | £1 | 2,882,694 | 2,882,694 |
| 149,315 | Ordinary shares | £0.01 | <u>1,493</u> | <u>1,493</u> |
| | | | <u>2,884,187</u> | <u>2,884,187</u> |

19. RESERVES

| | Retained earnings £ | Share premium £ | Capital redemption reserve £ | Totals £ |
|----------------------|------------------------|--------------------|---------------------------------|------------------|
| At 1 October 2017 | 6,308,489 | 764,981 | 921,794 | 7,995,264 |
| Profit for the year | 2,571,383 | - | - | 2,571,383 |
| Dividends | <u>(850,000)</u> | - | - | <u>(850,000)</u> |
| At 30 September 2018 | <u>8,029,872</u> | <u>764,981</u> | <u>921,794</u> | <u>9,716,647</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2018

20. PENSION COMMITMENTS

The company makes payments to a defined contribution pension scheme on behalf of certain employees. The contributions payable are charged to the profit and loss account as they fall due and amounted to £89,304 during the year (2017 £57,349). There were no prepaid or outstanding contributions at the year end.

21. CAPITAL COMMITMENTS

| | 2018 | 2017 |
|---|----------|----------------|
| | £ | £ |
| Contracted but not provided for in the financial statements | <u>-</u> | <u>472,578</u> |

22. 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.

Key management personnel of the entity or its parent (in the aggregate)

| | 2018 | 2017 |
|--|--------------|--------------|
| | £ | £ |
| Key management personnel compensation | 93,190 | 183,812 |
| Key management personnel pension contributions | <u>4,198</u> | <u>3,000</u> |

The directors of the company are considered to be the key management personnel. In addition to the above, the directors are remunerated at group level.

23. ULTIMATE CONTROLLING PARTY

During the year the ultimate parent company was Master Removers Group Limited.

On 6 June 2019, Master Removers Group Limited became a wholly owned subsidiary of Master Removers Group 2019 Ltd.

In the opinion of the directors, no one individual has control of the ultimate parent, Master Removers Group 2019 Ltd.