

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2021
FOR
WARD THOMAS REMOVALS LIMITED**

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FOR THE YEAR ENDED 30 SEPTEMBER 2021

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WARD THOMAS REMOVALS LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2021

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 2021

The directors present their strategic report for the year ended 30 September 2021.

REVIEW OF BUSINESS

The year ended 30 September 2021 saw the continued impact of the Coronavirus pandemic and included two national lockdowns. However, despite the negative impacts on the economy, the company has seen significant growth in both turnover and profitability, especially from its specialist logistics and installation division, Bishopsgate. The company also has a high level of ongoing storage revenue. Overall the company remains in a strong and stable position with significant cash reserves and no bank loans.

The directors and management continue to monitor operational and overhead costs to identify opportunities for cost cutting measures whilst maintaining the company's high standards of customer service.

In the context of the Key Performance Indicators mentioned below, when taking into account the impact of the pandemic, the directors are satisfied with the company's performance in the financial year.

Key performance indicators

	2021	2020
Turnover	£27,076,733	£19,669,022
Gross profit %	48.3%	44.5%
EBITDA %	26.1%	18.7%
Profit before tax %	22.2%	13.5%

The directors assess the performance of the business by reference to two main 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.

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.

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.

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 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.

STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

FUTURE DEVELOPMENTS

The company is continuing to perform well and is seeing organic growth leading to both turnover and profit exceeding budgeted levels.

ON BEHALF OF THE BOARD:

C A S Rickards - Director

29 June 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

The directors present their report with the financial statements of the company for the year ended 30 September 2021.

PRINCIPAL ACTIVITY

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

DIVIDENDS

An interim dividend of 84.3p per share on the Ordinary £1 shares was paid on 30 September 2021. The directors recommend that no final dividend be paid on these shares.

No interim dividend was paid on the Ordinary £0.01 shares. The directors recommend that no final dividend be paid on these shares.

The total distribution of dividends for the year ended 30 September 2021 will be £2,430,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2020 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 2021

AUDITORS

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

ON BEHALF OF THE BOARD:

C A S Rickards - Director

29 June 2022

**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 2021 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 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.

**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 four, 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 WARD THOMAS REMOVALS 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Identifying and assessing potential risks related to irregularities and fraud

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

- the nature of the industry/sector, control environment and financial performance;
- results of our enquiries of management about their own identification and assessment of the risk of irregularities;
- any matters we 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 non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - 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 area: revenue and profit recognition. 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 have 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 the UK Companies Act and tax legislation.

Audit response to risk identified

As a result of performing the above, we identified revenue and profit recognition, stock valuation, estimation techniques and management override of controls as key matters related to the potential risk of fraud or material misstatement. 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;
- performing substantive procedures to ascertain the completeness, existence, valuation and, rights and obligations of stocks as at the year-end;
- understanding the entity's revenue recognition policies and how they are applied, including the relevant controls and processes and performing a walk-through to validate our understanding;
- performing analytical procedures to compare revenue recognised against expectations, past results, and management forecasts, and investigated material divergences by obtaining corroborative evidence;
- reading minutes of meetings of those charged with governance and reviewing any correspondence with HMRC; and
-

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

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 and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

29 June 2022

INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	2020 £
TURNOVER		27,076,733	19,669,022
Cost of sales		13,985,687	10,910,790
GROSS PROFIT		13,091,046	8,758,232
Administrative expenses		7,087,662	6,813,274
		6,003,384	1,944,958
Other operating income		33,776	758,844
OPERATING PROFIT		6,037,160	2,703,802
Exceptional items	4	3,542	16,636
		6,033,618	2,687,166
Interest receivable and similar income		2,466	568
		6,036,084	2,687,734
Interest payable and similar expenses	5	26,003	33,492
PROFIT BEFORE TAXATION	6	6,010,081	2,654,242
Tax on profit	7	993,873	312,669
PROFIT FOR THE FINANCIAL YEAR		5,016,208	2,341,573

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		5,016,208	2,341,573
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,016,208</u>	<u>2,341,573</u>

The notes form part of these financial statements

BALANCE SHEET
30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	9		501,660		644,952
Tangible assets	10		3,081,267		2,720,878
Investments	11		792,283		792,283
			<u>4,375,210</u>		<u>4,158,113</u>
CURRENT ASSETS					
Debtors	12	21,155,515		19,243,771	
Cash at bank		<u>1,995,128</u>		<u>925,282</u>	
		23,150,643		20,169,053	
CREDITORS					
Amounts falling due within one year	13	<u>7,497,727</u>		<u>6,960,887</u>	
NET CURRENT ASSETS			15,652,916		13,208,166
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>20,028,126</u>		<u>17,366,279</u>
CREDITORS					
Amounts falling due after more than one year	14		(3,179)		(60,473)
PROVISIONS FOR LIABILITIES	17		<u>(313,634)</u>		<u>(180,701)</u>
NET ASSETS			<u>19,711,313</u>		<u>17,125,105</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		15,140,351		12,554,143
SHAREHOLDERS' FUNDS			<u>19,711,313</u>		<u>17,125,105</u>

The notes form part of these financial statements

BALANCE SHEET - continued
30 SEPTEMBER 2021

The financial statements were approved by the Board of Directors and authorised for issue on 29 June 2022 and were signed on its behalf by:

C A S Rickards - Director

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

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 1 October 2019	2,884,187	10,212,570	764,981	921,794	14,783,532
Changes in equity					
Total comprehensive income	-	2,341,573	-	-	2,341,573
Balance at 30 September 2020	2,884,187	12,554,143	764,981	921,794	17,125,105
Changes in equity					
Dividends	-	(2,430,000)	-	-	(2,430,000)
Total comprehensive income	-	5,016,208	-	-	5,016,208
Balance at 30 September 2021	2,884,187	15,140,351	764,981	921,794	19,711,313

The notes form part of these financial statements

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	5,410,673	1,756,976
Interest element of hire purchase payments paid		(26,003)	(33,492)
Tax paid		(458,650)	(453,727)
Net cash from operating activities		<u>4,926,020</u>	<u>1,269,757</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,245,070)	(367,038)
Sale of tangible fixed assets		23,000	21,250
Interest received		2,466	568
Net cash from investing activities		<u>(1,219,604)</u>	<u>(345,220)</u>
Cash flows from financing activities			
Capital repayments in year		(206,570)	(138,682)
Equity dividends paid		(2,430,000)	-
Net cash from financing activities		<u>(2,636,570)</u>	<u>(138,682)</u>
Increase in cash and cash equivalents		<u>1,069,846</u>	<u>785,855</u>
Cash and cash equivalents at beginning of year	2	925,282	139,427
Cash and cash equivalents at end of year	2	<u><u>1,995,128</u></u>	<u><u>925,282</u></u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2021**

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

	2021 £	2020 £
Profit before taxation	6,010,081	2,654,242
Depreciation charges	1,019,793	990,967
Profit on disposal of fixed assets	(14,820)	(13,061)
Finance costs	26,003	33,492
Finance income	(2,466)	(568)
	<u>7,038,591</u>	<u>3,665,072</u>
Increase in trade and other debtors	(2,003,595)	(2,257,912)
Increase in trade and other creditors	<u>375,677</u>	<u>349,816</u>
Cash generated from operations	<u><u>5,410,673</u></u>	<u><u>1,756,976</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 2021

	30.9.21 £	1.10.20 £
Cash and cash equivalents	<u>1,995,128</u>	<u>925,282</u>

Year ended 30 September 2020

	30.9.20 £	1.10.19 £
Cash and cash equivalents	<u>925,282</u>	<u>139,427</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.20 £	Cash flow £	At 30.9.21 £
Net cash			
Cash at bank	<u>925,282</u>	<u>1,069,846</u>	<u>1,995,128</u>
	<u>925,282</u>	<u>1,069,846</u>	<u>1,995,128</u>
Debt			
Finance leases	<u>(261,805)</u>	<u>206,570</u>	<u>(55,235)</u>
	<u>(261,805)</u>	<u>206,570</u>	<u>(55,235)</u>
Total	<u><u>663,477</u></u>	<u><u>1,276,416</u></u>	<u><u>1,939,893</u></u>

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

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 2019 Ltd, 141 Acton Lane, London, NW10 7PB.

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 2021

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 2021

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

	2021	2020
	£	£
Wages and salaries	9,157,857	7,531,224
Social security costs	700,604	643,161
Other pension costs	156,516	171,310
	<u>10,014,977</u>	<u>8,345,695</u>

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

	2021	2020
Sales and administration staff	60	57
Operations staff	196	194
	<u>256</u>	<u>251</u>

	2021	2020
	£	£
Directors' remuneration	124,131	83,140
Directors' pension contributions to money purchase schemes	<u>4,295</u>	<u>4,560</u>

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

	2021	2020
Money purchase schemes	<u>1</u>	<u>1</u>

4. EXCEPTIONAL ITEMS

	2021	2020
	£	£
Exceptional items	<u>(3,542)</u>	<u>(16,636)</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.

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Hire purchase	<u>26,003</u>	<u>33,492</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

6. PROFIT BEFORE TAXATION

The profit is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	623,527	580,532
Depreciation - assets on hire purchase contracts	252,974	247,476
Profit on disposal of fixed assets	(14,820)	(13,061)
Goodwill amortisation	143,292	162,959
Auditors' remuneration	<u>13,200</u>	<u>13,200</u>

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

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	860,940	324,095
Deferred tax	<u>132,933</u>	<u>(11,426)</u>
Tax on profit	<u>993,873</u>	<u>312,669</u>

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:

	2021	2020
	£	£
Profit before tax	<u>6,010,081</u>	<u>2,654,242</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,141,915	504,306
Effects of:		
Capital allowances in excess of depreciation	(162,833)	-
Depreciation in excess of capital allowances	-	44,922
Group relief	(118,142)	(225,133)
Movement on deferred tax	<u>132,933</u>	<u>(11,426)</u>
Total tax charge	<u>993,873</u>	<u>312,669</u>

8. DIVIDENDS

	2021	2020
	£	£
Ordinary shares shares of £1 each		
Interim	<u>2,430,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

9. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 October 2020	
and 30 September 2021	<u>3,466,966</u>
AMORTISATION	
At 1 October 2020	2,822,014
Amortisation for year	<u>143,292</u>
At 30 September 2021	<u>2,965,306</u>
NET BOOK VALUE	
At 30 September 2021	<u>501,660</u>
At 30 September 2020	<u>644,952</u>

10. TANGIBLE FIXED ASSETS

	Freehold and leasehold property £	Plant and machinery £	Motor vehicles £	Totals £
COST				
At 1 October 2020	181,568	1,298,937	5,422,156	6,902,661
Additions	-	419,205	825,865	1,245,070
Disposals	-	-	(21,265)	(21,265)
At 30 September 2021	<u>181,568</u>	<u>1,718,142</u>	<u>6,226,756</u>	<u>8,126,466</u>
DEPRECIATION				
At 1 October 2020	119,816	956,043	3,105,924	4,181,783
Charge for year	13,335	201,264	661,902	876,501
Eliminated on disposal	-	-	(13,085)	(13,085)
At 30 September 2021	<u>133,151</u>	<u>1,157,307</u>	<u>3,754,741</u>	<u>5,045,199</u>
NET BOOK VALUE				
At 30 September 2021	<u>48,417</u>	<u>560,835</u>	<u>2,472,015</u>	<u>3,081,267</u>
At 30 September 2020	<u>61,752</u>	<u>342,894</u>	<u>2,316,232</u>	<u>2,720,878</u>

Included within the net book value of fixed assets is £32,769 (2020 £545,305) in respect of assets held under hire purchase agreements.

The net book value of fixed assets includes a further £1,554,511 (2020 £1,336,782) in respect of assets under hire purchase agreements the liabilities for which are included in the financial statements of the immediate parent company, Master Removers Group Ltd.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £	Unlisted investments £	Totals £
COST			
At 1 October 2020 and 30 September 2021	<u>1,437,381</u>	<u>19,711</u>	<u>1,457,092</u>
PROVISIONS			
At 1 October 2020 and 30 September 2021	<u>664,809</u>	<u>-</u>	<u>664,809</u>
NET BOOK VALUE			
At 30 September 2021	<u>772,572</u>	<u>19,711</u>	<u>792,283</u>
At 30 September 2020	<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

	2021 £	2020 £
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 2021

11. FIXED ASSET INVESTMENTS - continued

Moves (London) Limited

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

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

Tom Williams Deliveries Limited

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

Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

	2021	2020
	£	£
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:	%
Ordinary	holding 100.00

	2021	2020
	£	£
Aggregate capital and reserves	<u>217,000</u>	<u>217,000</u>

Lawrence Astridge Removals Limited

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

Nature of business: Removals and storage

Class of shares:	%
Ordinary	holding 100.00

	2021	2020
	£	£
Aggregate capital and reserves	41,119	123,371
Loss for the year	<u>(82,252)</u>	<u>(117,056)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	4,542,590	3,278,398
Due from group companies	15,529,863	14,975,213
Other debtors	214,369	146,208
Tax	-	91,851
Prepayments	868,693	752,101
	<u>21,155,515</u>	<u>19,243,771</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts (see note 15)	52,056	201,332
Payments on account	134,184	105,428
Trade creditors	1,068,473	791,316
Owed to group companies	2,762,478	2,635,074
Corporation tax	389,070	78,631
Social security and other taxes	948,180	1,343,881
Other creditors	3,349	-
Accruals and deferred income	2,139,937	1,805,225
	<u>7,497,727</u>	<u>6,960,887</u>

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

	2021	2020
	£	£
Hire purchase contracts (see note 15)	<u>3,179</u>	<u>60,473</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	52,056	201,332
Between one and five years	<u>3,179</u>	<u>60,473</u>
	<u>55,235</u>	<u>261,805</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

15. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2021	2020
	£	£
Within one year	1,870,628	1,936,198
Between one and five years	4,938,458	5,843,640
In more than five years	5,376,880	6,496,582
	<u>12,185,966</u>	<u>14,276,420</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Hire purchase contracts	<u>55,235</u>	<u>261,805</u>

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

17. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax	<u>313,634</u>	<u>180,701</u>
		Deferred tax
		£
Balance at 1 October 2020		180,701
Provided during year		<u>132,933</u>
Balance at 30 September 2021		<u>313,634</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021	2020
			£	£
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>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2021

19. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 October 2020	12,554,143	764,981	921,794	14,240,918
Profit for the year	5,016,208	-	-	5,016,208
Dividends	(2,430,000)	-	-	(2,430,000)
At 30 September 2021	<u>15,140,351</u>	<u>764,981</u>	<u>921,794</u>	<u>16,827,126</u>

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 £156,516 during the year (2020 £171,310). There were no prepaid or outstanding contributions at the year end.

21. 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)

	2021 £	2020 £
Key management personnel compensation	124,131	83,140
Key management personnel pension contributions	<u>4,295</u>	<u>4,560</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.

22. ULTIMATE CONTROLLING PARTY

The company is a wholly owned subsidiary of Master Removers Group Limited.

The ultimate parent company is 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.

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