

**GROUP STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
JAMES NUTTALL (HOLDINGS) LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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JAMES NUTTALL (HOLDINGS) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

DIRECTORS:

J R H Nuttall
Ms C J Nuttall

REGISTERED OFFICE:

Royle Barn Road
Castleton
Rochdale
OL11 3DT

REGISTERED NUMBER:

11020584 (England and Wales)

AUDITORS:

Wyatt, Morris, Golland Ltd
Statutory Auditors
Park House
200 Drake Street
Rochdale
Lancashire
OL16 1PJ

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report of the company and the group for the year ended 31 December 2021.

The group comprises of a transport and haulage company and VOSA testing station. The holding company acquired 100% of the share capital of James Nuttall (Transport) Limited on a share for share exchange on 18/10/17. James Nuttall (Transport) Limited wholly owns the share capital of Queensway Commercials Limited.

REVIEW OF BUSINESS

The results for the year and financial position of the group are as shown in the annexed financial statements.

The group has performed satisfactorily during the year considering challenges relating to the Covid - 19 Pandemic.

Recovery has been steady and volumes have recovered to pre Covid - 19 levels, however, the group is still experiencing difficulties which are set out in the principal risks and uncertainties below.

The group's gross profit margins have increased to 20.01% compared to 15.7% in 2020. The increase reflects the return to more productive labour within cost of sales, as during 2020 high levels of staff were placed on furlough.

Additional warehouse activities continue to support the transport operation.

The Vosa testing centre in the Queensway Commercials Limited subsidiary has performed satisfactorily and turnover has returned to pre Covid - 19 levels. The testing lanes are fully booked well in advance and the current level of demand is expected to continue.

Other key performance indicators such as debtor and creditor days have remained reasonably consistent with minor variances arising from timing differences due to normal business trading.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the group following the year end is the continued impact of Covid 19.

The haulage industry continues to consolidate, larger entities are taking control of more contract business. Smaller and medium sized sub-contractors are under pressure to work on these contracts with reduced revenues.

Fuel prices, increased insurance costs and European pressure on commercial equipment costs continue to remain a challenge.

With a lack of drivers coming into the industry new incentives to enter hands-on and vocational careers should be positive for the road transport industry.

Demand continues for good family owned haulage companies who can mobilise quickly. We continue to be optimistic for the future.

Although these factors pose a risk to ongoing performance, the company has a strong asset base and the directors therefore consider that it is well placed to manage any such risks.

ON BEHALF OF THE BOARD:

Ms C J Nuttall - Director

28 March 2022

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

DIVIDENDS

An interim dividend of £2.667 per ordinary D share and per ordinary E share was paid on 21 April 2021. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2021 amounted to £80,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

J R H Nuttall
Ms C J Nuttall

The directors had the following beneficial interests in the share capital of the company:

Ms. C. J. Nuttall - 33.33%
J. R. H. Nuttall - 33.33%

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Wyatt, Morris, Golland Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Ms C J Nuttall - Director

28 March 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JAMES NUTTALL (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of James Nuttall (Holdings) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Income and Retained Earnings, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Cash Flow Statement and Notes to the Consolidated 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 group's and of the parent company affairs as at 31 December 2021 and of the group's 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 group 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 group's and the parent 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 Group 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 Group 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 Group 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 group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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
JAMES NUTTALL (HOLDINGS) 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JAMES NUTTALL (HOLDINGS) 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the haulage, warehousing and VOSA testing sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and taxation legislation and
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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
JAMES NUTTALL (HOLDINGS) 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.

Christian Morris Bsc ACA (Senior Statutory Auditor)
for and on behalf of Wyatt, Morris, Golland Ltd
Statutory Auditors
Park House
200 Drake Street
Rochdale
Lancashire
OL16 1PJ

28 March 2022

**CONSOLIDATED
STATEMENT OF INCOME AND
RETAINED EARNINGS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
TURNOVER		7,631,686	6,760,190
Cost of sales		<u>6,104,520</u>	<u>5,695,580</u>
GROSS PROFIT		1,527,166	1,064,610
Administrative expenses		<u>792,693</u>	<u>725,710</u>
		734,473	338,900
Other operating income		<u>5,651</u>	<u>121,935</u>
OPERATING PROFIT	4	740,124	460,835
Income from fixed asset investments		<u>1,820</u>	<u>580</u>
		741,944	461,415
Gain/loss on revaluation of investments		<u>499,041</u>	<u>207,557</u>
		1,240,985	668,972
Interest payable and similar expenses	5	<u>45,069</u>	<u>54,512</u>
PROFIT BEFORE TAXATION		1,195,916	614,460
Tax on profit	6	<u>210,534</u>	<u>117,197</u>
PROFIT FOR THE FINANCIAL YEAR		985,382	497,263
Retained earnings at beginning of year		5,895,924	5,478,661
Dividends	8	(80,000)	(80,000)
RETAINED EARNINGS FOR THE GROUP AT END OF YEAR		<u>6,801,306</u>	<u>5,895,924</u>
Profit attributable to: Owners of the parent		<u>985,382</u>	<u>497,263</u>

The notes form part of these financial statements

JAMES NUTTALL (HOLDINGS) LIMITED (REGISTERED NUMBER: 11020584)

**CONSOLIDATED BALANCE SHEET
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	9		2,740,290		3,276,959
Investments	10		<u>3,526,474</u>		<u>3,027,433</u>
			6,266,764		6,304,392
CURRENT ASSETS					
Stocks	11	39,677		45,619	
Debtors	12	1,798,904		1,615,004	
Cash at bank and in hand		<u>1,815,749</u>		<u>1,179,394</u>	
		3,654,330		2,840,017	
CREDITORS					
Amounts falling due within one year	13	<u>1,884,333</u>		<u>1,693,525</u>	
NET CURRENT ASSETS			<u>1,769,997</u>		<u>1,146,492</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			8,036,761		7,450,884
CREDITORS					
Amounts falling due after more than one year	14		(678,505)		(1,048,403)
PROVISIONS FOR LIABILITIES	17		<u>(456,950)</u>		<u>(406,557)</u>
NET ASSETS			<u>6,901,306</u>		<u>5,995,924</u>
CAPITAL AND RESERVES					
Called up share capital	18		100,000		100,000
Retained earnings	19		<u>6,801,306</u>		<u>5,895,924</u>
			6,901,306		5,995,924

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2022 and were signed on its behalf by:

Ms C J Nuttall - Director

JAMES NUTTALL (HOLDINGS) LIMITED (REGISTERED NUMBER: 11020584)

**COMPANY BALANCE SHEET
31 DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	9		-		-
Investments	10		<u>100,000</u>		<u>100,000</u>
			100,000		100,000
CURRENT ASSETS					
Debtors	12	<u>331,520</u>		<u>331,520</u>	
NET CURRENT ASSETS			<u>331,520</u>		<u>331,520</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>431,520</u>		<u>431,520</u>
CAPITAL AND RESERVES					
Called up share capital	18		100,000		100,000
Retained earnings	19		<u>331,520</u>		<u>331,520</u>
			<u>431,520</u>		<u>431,520</u>
Company's profit for the financial year			<u>80,000</u>		<u>80,000</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 March 2022 and were signed on its behalf by:

Ms C J Nuttall - Director

The notes form part of these financial statements

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	1,484,779	1,939,098
Interest element of hire purchase payments paid		(45,069)	(54,512)
Tax paid		(77,391)	(62,594)
Net cash from operating activities		<u>1,362,319</u>	<u>1,821,992</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(351,256)	(650,944)
Sale of tangible fixed assets		111,100	30,900
Dividends received		1,820	580
Net cash from investing activities		<u>(238,336)</u>	<u>(619,464)</u>
Cash flows from financing activities			
New loans in year		(26,637)	-
Capital repayments in year		(372,438)	(732,875)
Amount introduced by directors		-	49,580
Amount withdrawn by directors		(8,553)	(130,102)
Equity dividends paid		(80,000)	(80,000)
Net cash from financing activities		<u>(487,628)</u>	<u>(893,397)</u>
Increase in cash and cash equivalents		<u>636,355</u>	<u>309,131</u>
Cash and cash equivalents at beginning of year	2	<u>1,179,394</u>	<u>870,263</u>
Cash and cash equivalents at end of year	2	<u><u>1,815,749</u></u>	<u><u>1,179,394</u></u>

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	2021	2020
	£	£
Profit before taxation	1,195,916	614,460
Depreciation charges	850,281	769,944
Profit on disposal of fixed assets	(73,456)	(29,020)
Gain on revaluation of fixed assets	(499,041)	(207,557)
Finance costs	45,069	54,512
Finance income	(1,820)	(580)
	<u>1,516,949</u>	<u>1,201,759</u>
Decrease/(increase) in stocks	5,942	(6,896)
(Increase)/decrease in trade and other debtors	(183,900)	789,225
Increase/(decrease) in trade and other creditors	<u>145,788</u>	<u>(44,990)</u>
Cash generated from operations	<u>1,484,779</u>	<u>1,939,098</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 31 December 2021

	31.12.21	1.1.21
	£	£
Cash and cash equivalents	<u>1,815,749</u>	<u>1,179,394</u>

Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>1,179,394</u>	<u>870,263</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.21	Cash flow	At 31.12.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>1,179,394</u>	<u>636,355</u>	<u>1,815,749</u>
	<u>1,179,394</u>	<u>636,355</u>	<u>1,815,749</u>
Debt			
Finance leases	<u>(1,641,719)</u>	<u>372,438</u>	<u>(1,269,281)</u>
	<u>(1,641,719)</u>	<u>372,438</u>	<u>(1,269,281)</u>
Total	<u>(462,325)</u>	<u>1,008,793</u>	<u>546,468</u>

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

1. STATUTORY INFORMATION

James Nuttall (Holdings) 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 General 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 under the historical cost convention as modified by the revaluation of certain assets.

Related party exemption

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.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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 property	- not provided
Improvements to property	- 10% on cost
Plant and machinery	- 10% on cost and at varying rates on cost
Commercial vehicles	- 20% on cost and 10% on cost

Commercial vehicles are written off over the first five years of their working lives. No depreciation is charged on commercial vehicles if the vehicle has not been brought into operation at the year end.

Improvements to short leasehold premises are written off over their expected useful lives up to a maximum of 10 years.

No depreciation is charged on the freehold premises as the company policy is to maintain the asset in a continual state of sound repair. Accordingly the directors consider that the useful life of the asset is so long and the residual value so high that any depreciation charge would be insignificant within the context of these accounts.

At each balance sheet date, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that any items of property, plant and equipment have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount and would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately.

Government grants - covid 19

Government grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to the grant and the grant will be received.

Following the outbreak of the Covid-19 Pandemic the company furloughed members of staff and took advantage of the government job retention scheme. Grant income is accrued for in the period matching the period the wages were due for.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

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

Fixed asset investments

Listed fixed asset investments are valued at market value as at the balance sheet date. Unrealised gains or losses are posted to the income statement for the year. Deferred tax is provided on any unrealised gains or losses.

Unlisted fixed asset investments are stated at cost as the market values are not readily ascertainable.

Investment in subsidiaries

Investment in subsidiaries are recognised at cost in the holding company's own accounts.

Critical accounting judgements and sources of estimation uncertainty

In the application of the Company's accounting policies, management make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily available 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.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Estimated useful life and residual value of fixed assets

As described above, depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors. Estimated useful lives and residual values are reviewed annually and revised as appropriate. Revisions take into account estimated useful lives used by other companies operating in the sector and actual asset lives and residual values, as evidenced by disposals during current and prior accounting periods.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. EMPLOYEES AND DIRECTORS

	2021	2020
	£	£
Wages and salaries	2,148,821	2,197,509
Social security costs	194,073	193,339
Other pension costs	146,779	45,005
	<u>2,489,673</u>	<u>2,435,853</u>

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

	2021	2020
Administration	8	8
Traffic control	4	4
Distribution	53	56
Workshop	5	5
	<u>70</u>	<u>73</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 70 (2020 - 73) .

	2021	2020
	£	£
Directors' remuneration	72,999	72,499
Directors' pension contributions to money purchase schemes	<u>105,424</u>	<u>5,424</u>

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

Money purchase schemes	<u>2</u>	<u>2</u>
------------------------	----------	----------

4. OPERATING PROFIT

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

	2021	2020
	£	£
Hire of plant and machinery	25,850	26,713
Depreciation - owned assets	284,797	235,072
Depreciation - assets on hire purchase contracts	565,484	534,872
Profit on disposal of fixed assets	(73,456)	(29,020)
Auditors' remuneration	13,430	12,380
Auditors' remuneration for non audit work	17,311	9,849
Operating lease payments	<u>183,095</u>	<u>186,947</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Hire purchase	<u>45,069</u>	<u>54,512</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

6. 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	160,141	77,391
Deferred tax	50,393	39,806
Tax on profit	<u>210,534</u>	<u>117,197</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>1,195,916</u>	<u>614,460</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	227,224	116,747
Effects of:		
Permanently disallowed expenses	475	404
Depreciation on non qualifying assets	92	156
Franked investment income	(346)	(110)
Effect of super allowance	<u>(16,911)</u>	<u>-</u>
Total tax charge	<u>210,534</u>	<u>117,197</u>

7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

8. DIVIDENDS

The company paid dividends amounting to £80,000 during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

9. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £	Commercial vehicles £	Totals £
COST					
At 1 January 2021	661,550	260,215	958,100	6,460,301	8,340,166
Additions	-	-	42,487	308,769	351,256
Disposals	-	-	-	(1,039,231)	(1,039,231)
At 31 December 2021	<u>661,550</u>	<u>260,215</u>	<u>1,000,587</u>	<u>5,729,839</u>	<u>7,652,191</u>
DEPRECIATION					
At 1 January 2021	-	213,980	725,863	4,123,364	5,063,207
Charge for year	-	487	80,381	769,413	850,281
Eliminated on disposal	-	-	-	(1,001,587)	(1,001,587)
At 31 December 2021	<u>-</u>	<u>214,467</u>	<u>806,244</u>	<u>3,891,190</u>	<u>4,911,901</u>
NET BOOK VALUE					
At 31 December 2021	<u>661,550</u>	<u>45,748</u>	<u>194,343</u>	<u>1,838,649</u>	<u>2,740,290</u>
At 31 December 2020	<u>661,550</u>	<u>46,235</u>	<u>232,237</u>	<u>2,336,937</u>	<u>3,276,959</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Commercial vehicles £
COST	
At 1 January 2021	3,257,383
Additions	282,700
Disposals	(62,000)
Transfer to ownership	(204,430)
At 31 December 2021	<u>3,273,653</u>
DEPRECIATION	
At 1 January 2021	1,195,838
Charge for year	565,484
Eliminated on disposal	(24,800)
Transfer to ownership	(136,286)
At 31 December 2021	<u>1,600,236</u>
NET BOOK VALUE	
At 31 December 2021	<u>1,673,417</u>
At 31 December 2020	<u>2,061,545</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

10. FIXED ASSET INVESTMENTS

Group

	Listed investments £	Unlisted investments £	Totals £
COST OR VALUATION			
At 1 January 2021	2,994,313	33,120	3,027,433
Revaluations	<u>499,041</u>	-	<u>499,041</u>
At 31 December 2021	<u>3,493,354</u>	<u>33,120</u>	<u>3,526,474</u>
NET BOOK VALUE			
At 31 December 2021	<u>3,493,354</u>	<u>33,120</u>	<u>3,526,474</u>
At 31 December 2020	<u>2,994,313</u>	<u>33,120</u>	<u>3,027,433</u>

Cost or valuation at 31 December 2021 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2021	1,243,354	-	1,243,354
Cost	<u>2,250,000</u>	<u>33,120</u>	<u>2,283,120</u>
	<u>3,493,354</u>	<u>33,120</u>	<u>3,526,474</u>

Company

	Shares in group undertakings £
COST	
At 1 January 2021 and 31 December 2021	<u>100,000</u>
NET BOOK VALUE	
At 31 December 2021	<u>100,000</u>
At 31 December 2020	<u>100,000</u>

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

Subsidiaries

James Nuttall Transport Limited

Registered office: Royle Barn Road, Castleton, Rochdale, Lancashire, OL11 3DT

Nature of business: Haulage and transport

	% holding	2021 £	2020 £
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>6,427,820</u>	5,585,939
Profit for the year		<u>921,881</u>	<u>496,967</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

10. FIXED ASSET INVESTMENTS - continued

Queensway Commercials Limited

Registered office: Royle Barn Road, Castleton, Rochdale, Lancashire, OL11 3DT

Nature of business: VOSA testing station

	%	2021	2020
Class of shares:	holding	£	£
Ordinary	100.00	151,966	88,465
Aggregate capital and reserves		63,501	296
Profit for the year			

James Nuttall (Developments) Limited

Registered office: Royle Barn Road, Castleton, Rochdale, Lancashire, OL11 3DT

Nature of business: Warehouse and storage facilities

	%	2021	2020
Class of shares:	holding	£	£
Ordinary	100.00	100	100
Aggregate capital and reserves			

11. STOCKS

	Group	
	2021	2020
	£	£
Stocks	39,677	45,619

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	Company	
	2021	2020	2021
	£	£	£
Trade debtors	1,459,225	1,279,454	-
Amounts owed by group undertakings	-	-	331,520
Prepayments	339,679	335,550	-
	1,798,904	1,615,004	331,520

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group	
	2021	2020
	£	£
Hire purchase contracts (see note 15)	590,776	593,316
Trade creditors	541,832	409,340
Corporation tax	160,141	77,391
Social security and other taxes	85,073	66,442
VAT	216,345	223,174
Shareholder loans	60,566	-
Directors' current accounts	91,176	126,366
Accrued expenses	138,424	197,496
	1,884,333	1,693,525

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

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

	Group	
	2021	2020
	£	£
Hire purchase contracts (see note 15)	<u>678,505</u>	<u>1,048,403</u>

15. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2021	2020
	£	£
Gross obligations repayable:		
Within one year	632,637	637,020
Between one and five years	<u>725,325</u>	<u>1,126,376</u>
	<u>1,357,962</u>	<u>1,763,396</u>
Finance charges repayable:		
Within one year	41,861	43,704
Between one and five years	<u>46,820</u>	<u>77,973</u>
	<u>88,681</u>	<u>121,677</u>
Net obligations repayable:		
Within one year	590,776	593,316
Between one and five years	<u>678,505</u>	<u>1,048,403</u>
	<u>1,269,281</u>	<u>1,641,719</u>

16. SECURED DEBTS

The following secured debts are included within creditors:

	Group	
	2021	2020
	£	£
Hire purchase contracts	<u>1,269,281</u>	<u>1,641,719</u>

The hire purchase creditors are secured on the assets to which they relate.

17. PROVISIONS FOR LIABILITIES

	Group	
	2021	2020
	£	£
Deferred tax	<u>456,950</u>	<u>406,557</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

17. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1 January 2021	406,557
Provided during year	50,393
Balance at 31 December 2021	<u>456,950</u>

18. CALLED UP SHARE CAPITAL

A Ordinary £1 shares	28,000
B Ordinary £1 shares	27,000
C Ordinary £1 shares	15,000
D Ordinary £1 shares	15,000
E Ordinary £1 shares	15,000

	100,000

19. RESERVES

Group

	Retained earnings £
At 1 January 2021	5,895,924
Profit for the year	985,382
Dividends	(80,000)
At 31 December 2021	<u>6,801,306</u>

Company

	Retained earnings £
At 1 January 2021	331,520
Profit for the year	80,000
Dividends	(80,000)
At 31 December 2021	<u>331,520</u>

Included in retained earnings is an amount of £1,243,354 which relates to unrealised gains on the revaluation of investments which are non-distributable. After providing for deferred taxation the total non-distributable retained earnings amounted to £1,007,117.

20. PENSION COMMITMENTS

The group operates a defined contribution pension scheme. The assets of the scheme are held in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £146,779 (2020 - £45,005). Included in accruals for pension contributions not paid over amounted to £7,910 (2020 - £7,602).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

21. CAPITAL COMMITMENTS

	2021	2020
	£	£
Contracted but not provided for in the financial statements	<u>276,100</u>	<u>-</u>

22. OTHER FINANCIAL COMMITMENTS

The company had the following total commitments under operating leases:

	2021	2020
£		
Expiring within 1 year	30,515	24,824
Expiring 2 to 5 years	329,368	497,623
Expiring after 5 years	<u>256,003</u>	<u>205,990</u>
	<u>615,886</u>	<u>728,437</u>

23. RELATED PARTY DISCLOSURES

TRANSACTIONS WITH DIRECTORS

James Nuttall (Transport) Limited occupies a property in which Ms C.J. Nuttall and Mr J.R.H. Nuttall had a material interest and paid rent during the year of £75,000.

TRANSACTIONS WITH RELATED PARTIES

During the year the following dividends were paid to certain directors :-

J.R.H. N Nuttall £40,000
Ms C.J. Nuttall £40,000

24. ULTIMATE CONTROLLING PARTY

During the year the directors and their family had the ultimate control of the company as they own an interest in the entire issued share capital of James Nuttall (Holdings) 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.