

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021
FOR
COUSINS MATERIAL HOUSE LIMITED**

Sargeant Partnership LLP
Chartered Accountants
and Statutory Auditors
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

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FOR THE YEAR ENDED 31 OCTOBER 2021**

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COUSINS MATERIAL HOUSE LIMITED

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

DIRECTORS:

A Cousins
Mrs C Cousins

REGISTERED OFFICE:

7 Galliford Road Industrial Estate
Heybridge
Maldon
Essex
CM9 4XD

REGISTERED NUMBER:

04890253 (England and Wales)

AUDITORS:

Sargeant Partnership LLP
Chartered Accountants
and Statutory Auditors
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021**

The directors present their strategic report for the year ended 31 October 2021.

REVIEW OF BUSINESS

The company performed well during the year with strong revenue growth of £1m on the prior year. The company's bank balance has also remained healthy throughout the year and at the year end there was no reliance placed on external funding.

The directors are confident that sales for the 12 months to 31.10.2022 will continue to grow.

PRINCIPAL RISKS AND UNCERTAINTIES

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

In the course of normal business, the company continually assesses significant risks faced and takes action to mitigate the potential impact. The following risks constitute (in the opinion of the directors) the principal risks and uncertainties currently facing the company:

Operational risks

Information technology

The company's daily operations are increasingly reliant on its information technology systems, particularly with their website sales, payment acceptance, financial control and the provision of management information. Any prolonged or significant failure of these systems could pose a risk to the effective management of the business. The company seeks to minimise the risk by maintaining strong physical control to ensure protection of hardware, software and data, resilience of payment systems.

Reputational risk

Cousins Material House Limited is part of the trading standards Buy With Confidence Scheme. The scheme was set up in response to concerns about 'rogue traders'. The scheme provides consumers with a list of local businesses which have given their commitment to trading fairly.

Forex risk

The company undertakes transactions in multiple currencies. Fluctuations in these currencies pose a risk of foreign exchange loss to the company.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 OCTOBER 2021**

KEY PERFORMANCE INDICATORS

The directors continue to examine all aspects of the business with a view to achieving profitability. Together with senior management, they monitor all other statistical information on a regular basis to ensure that they are aware of any trends and influences on profitability using relevant key performance indicators.

2021 2020

Sales growth/(decline) 11.32% 4.85%

Gross profit 34.82% 34.03%

ON BEHALF OF THE BOARD:

A Cousins - Director

24 May 2022

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

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

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of dealers of materials, tools and equipment for watch, clock and jewellery repair trades.

DIVIDENDS

The total distribution of dividends for the year ended 31 October 2021 will be £3,350,000.

DIRECTORS

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

A Cousins
Mrs C Cousins

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 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 company's auditors are aware of that information.

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)

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

AUDITORS

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

ON BEHALF OF THE BOARD:

A Cousins - Director

24 May 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COUSINS MATERIAL HOUSE LIMITED

Opinion

We have audited the financial statements of Cousins Material House Limited (the 'company') for the year ended 31 October 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 31 October 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COUSINS MATERIAL HOUSE LIMITED

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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 COUSINS MATERIAL HOUSE 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance Code and UK corporate taxation laws.

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries to the management and directors. We corroborated our inquiries through our review of board minutes and papers provided to the audit engagement team.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit engagement team included:

- a) Identifying and assessing the design effectiveness of controls management has put in place to prevent and detect fraud;
- b) Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- c) Challenging assumptions and judgements made by management in its significant accounting estimates;
- d) Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- e) Assessing the extent of compliance with the relevant 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COUSINS MATERIAL HOUSE 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.

Joanne Brown (Senior Statutory Auditor)
for and on behalf of Sargeant Partnership LLP
Chartered Accountants
and Statutory Auditors
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

24 May 2022

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)

**INCOME STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Notes	2021 £	£	2020 £	£
TURNOVER			10,765,512		9,670,762
Cost of sales			<u>7,016,622</u>		<u>6,379,956</u>
GROSS PROFIT			3,748,890		3,290,806
Distribution costs		80,286		57,967	
Administrative expenses		<u>2,308,768</u>		<u>2,113,056</u>	
			2,389,054		2,171,023
			1,359,836		1,119,783
Other operating income			<u>2,645</u>		<u>23,931</u>
OPERATING PROFIT	5		1,362,481		1,143,714
Interest receivable and similar income			<u>39,508</u>		<u>37,876</u>
			1,401,989		1,181,590
Interest payable and similar expenses	6		<u>149,126</u>		<u>29,171</u>
PROFIT BEFORE TAXATION			1,252,863		1,152,419
Tax on profit	7		<u>238,688</u>		<u>238,044</u>
PROFIT FOR THE FINANCIAL YEAR			<u>1,014,175</u>		<u>914,375</u>

The notes form part of these financial statements

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Notes	2021 £	2020 £
PROFIT FOR THE YEAR		1,014,175	914,375
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>1,014,175</u>	<u>914,375</u>

The notes form part of these financial statements

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)**BALANCE SHEET
31 OCTOBER 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Intangible assets	9		54,998		82,498
Tangible assets	10		<u>1,637,602</u>		<u>1,041,872</u>
			1,692,600		1,124,370
CURRENT ASSETS					
Stocks	11	4,185,189		3,376,718	
Debtors	12	513,369		1,825,557	
Cash in hand		<u>3,760,787</u>		<u>3,135,089</u>	
		8,459,345		8,337,364	
CREDITORS					
Amounts falling due within one year	13	<u>1,022,172</u>		<u>1,180,788</u>	
NET CURRENT ASSETS			<u>7,437,173</u>		<u>7,156,576</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			9,129,773		8,280,946
CREDITORS					
Amounts falling due after more than one year	14		(6,178,297)		(3,029,171)
PROVISIONS FOR LIABILITIES	15		<u>(53,510)</u>		<u>(17,984)</u>
NET ASSETS			<u>2,897,966</u>		<u>5,233,791</u>
CAPITAL AND RESERVES					
Called up share capital	16		120		120
Retained earnings	17		<u>2,897,846</u>		<u>5,233,671</u>
SHAREHOLDERS' FUNDS			<u>2,897,966</u>		<u>5,233,791</u>

The financial statements were approved by the Board of Directors and authorised for issue on 24 May 2022 and were signed on its behalf by:

A Cousins - Director

The notes form part of these financial statements

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 November 2019	120	7,319,296	7,319,416
Changes in equity			
Dividends	-	(3,000,000)	(3,000,000)
Total comprehensive income	-	914,375	914,375
Balance at 31 October 2020	<u>120</u>	<u>5,233,671</u>	<u>5,233,791</u>
Changes in equity			
Dividends	-	(3,350,000)	(3,350,000)
Total comprehensive income	-	1,014,175	1,014,175
Balance at 31 October 2021	<u>120</u>	<u>2,897,846</u>	<u>2,897,966</u>

The notes form part of these financial statements

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 OCTOBER 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	4,955,573	3,341,786
Interest paid		(149,126)	(29,171)
Tax paid		(230,053)	(308,215)
Net cash from operating activities		<u>4,576,394</u>	<u>3,004,400</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(661,233)	(1,057,549)
Sale of tangible fixed assets		10,000	12,000
Interest received		39,508	37,876
Net cash from investing activities		<u>(611,725)</u>	<u>(1,007,673)</u>
Cash flows from financing activities			
Amount introduced by directors		11,029	25,168
Equity dividends paid		(3,350,000)	(3,000,000)
Net cash from financing activities		<u>(3,338,971)</u>	<u>(2,974,832)</u>
Increase/(decrease) in cash and cash equivalents		<u>625,698</u>	<u>(978,105)</u>
Cash and cash equivalents at beginning of year	2	3,135,089	4,113,194
Cash and cash equivalents at end of year	2	<u>3,760,787</u>	<u>3,135,089</u>

The notes form part of these financial statements

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

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

	2021 £	2020 £
Profit before taxation	1,252,863	1,152,419
Depreciation charges	79,022	77,074
Loss on disposal of fixed assets	3,981	61,200
Inter-Company movement	4,290,513	1,659,034
Finance costs	149,126	29,171
Finance income	(39,508)	(37,876)
	<u>5,735,997</u>	<u>2,941,022</u>
(Increase)/decrease in stocks	(808,471)	62,501
Decrease in trade and other debtors	170,801	62,820
(Decrease)/increase in trade and other creditors	<u>(142,754)</u>	<u>275,443</u>
Cash generated from operations	<u><u>4,955,573</u></u>	<u><u>3,341,786</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 31 October 2021

	31/10/21 £	1/11/20 £
Cash and cash equivalents	<u>3,760,787</u>	<u>3,135,089</u>

Year ended 31 October 2020

	31/10/20 £	1/11/19 £
Cash and cash equivalents	<u>3,135,089</u>	<u>4,113,194</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/11/20 £	Cash flow £	At 31/10/21 £
Net cash			
Cash at bank and in hand	<u>3,135,089</u>	<u>625,698</u>	<u>3,760,787</u>
	<u>3,135,089</u>	<u>625,698</u>	<u>3,760,787</u>
Total	<u><u>3,135,089</u></u>	<u><u>625,698</u></u>	<u><u>3,760,787</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2021**

1. STATUTORY INFORMATION

Cousins Material House 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 under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Cousins Material House 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 undertaking are included by full consolidation in the consolidated financial statements of its parent, Cousins Trading Group Limited, 7 Galliford Road Industrial Estate, Heybridge, Maldon, Essex, England, CM9 4XD.

Turnover

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

Turnover represents the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's principal activity. Turnover excludes value added tax.

The company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer, (b) the company retains no continuing involvement or control over the goods, (c) the amount of revenue can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being amortised evenly over its estimated useful life of twenty 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.

Improvements to property	- 25% per annum on cost
Fixtures and fittings	- 25% per annum on cost and 25% per annum on reducing balance
Motor vehicles	- 25% per annum on cost
Computer software	- 33% per annum on cost

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

2. ACCOUNTING POLICIES - continued

Stocks

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

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.

Foreign currencies

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

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.

Functional currency

The functional currency of the Company is the Great British Pound ("GBP "). And the figures are shown to the nearest pound.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

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

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCE

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in these accounts.

4. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	1,332,204	1,095,218
Social security costs	6,121	5,789
Other pension costs	45,841	14,006
	<u>1,384,166</u>	<u>1,115,013</u>

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

	2021	2020
Employees	<u>51</u>	<u>53</u>

	2021 £	2020 £
Directors' remuneration	<u>62,000</u>	<u>58,167</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2021 £	2020 £
Depreciation - owned assets	51,522	49,573
Loss on disposal of fixed assets	3,981	61,200
Goodwill amortisation	<u>27,500</u>	<u>27,501</u>

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

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Interest on Intercompany Loan	<u>149,126</u>	<u>29,171</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	203,162	230,053
Deferred tax	<u>35,526</u>	<u>7,991</u>
Tax on profit	<u>238,688</u>	<u>238,044</u>

8. DIVIDENDS

	2021	2020
	£	£
Ordinary shares of £1 each		
Interim	<u>3,350,000</u>	<u>3,000,000</u>

9. INTANGIBLE FIXED ASSETS

	Goodwill
	£
COST	
At 1 November 2020 and 31 October 2021	<u>550,002</u>
AMORTISATION	
At 1 November 2020	467,504
Amortisation for year	<u>27,500</u>
At 31 October 2021	<u>495,004</u>
NET BOOK VALUE	
At 31 October 2021	<u>54,998</u>
At 31 October 2020	<u>82,498</u>

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

10. TANGIBLE FIXED ASSETS

	Long leasehold £	Improvements to property £	Fixtures and fittings £
COST			
At 1 November 2020	991,016	318,146	137,512
Additions	506,677	-	110,123
Disposals	-	(318,146)	(2,495)
At 31 October 2021	<u>1,497,693</u>	<u>-</u>	<u>245,140</u>
DEPRECIATION			
At 1 November 2020	-	315,561	111,884
Charge for year	-	2,585	32,526
Eliminated on disposal	-	(318,146)	(1,663)
At 31 October 2021	<u>-</u>	<u>-</u>	<u>142,747</u>
NET BOOK VALUE			
At 31 October 2021	<u>1,497,693</u>	<u>-</u>	<u>102,393</u>
At 31 October 2020	<u>991,016</u>	<u>2,585</u>	<u>25,628</u>

	Motor vehicles £	Computer software £	Totals £
COST			
At 1 November 2020	15,995	218,485	1,681,154
Additions	-	44,433	661,233
Disposals	(15,995)	(218,485)	(555,121)
At 31 October 2021	<u>-</u>	<u>44,433</u>	<u>1,787,266</u>
DEPRECIATION			
At 1 November 2020	5,999	205,838	639,282
Charge for year	1,000	15,411	51,522
Eliminated on disposal	(6,999)	(214,332)	(541,140)
At 31 October 2021	<u>-</u>	<u>6,917</u>	<u>149,664</u>
NET BOOK VALUE			
At 31 October 2021	<u>-</u>	<u>37,516</u>	<u>1,637,602</u>
At 31 October 2020	<u>9,996</u>	<u>12,647</u>	<u>1,041,872</u>

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

11. STOCKS

	2021 £	2020 £
Stocks	<u>4,185,189</u>	<u>3,376,718</u>

12. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	100,359	111,284
Amounts owed by group undertakings	228,750	240,000
Amounts owed by associates	-	171,352
Other debtors	-	50,000
Staff loans	49,890	178,358
Tax	41,299	41,299
VAT	-	2,431
Prepayments	<u>93,071</u>	<u>72,048</u>
	<u>513,369</u>	<u>866,772</u>
Amounts falling due after more than one year:		
Amounts owed by associates	<u>-</u>	<u>958,785</u>
Aggregate amounts	<u>513,369</u>	<u>1,825,557</u>

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	586,674	718,613
Tax	203,162	230,053
Social security and other taxes	25,099	23,352
VAT	1,914	-
Other creditors	7,282	6,004
Credit Card	2,734	1,398
Directors' loan accounts	85,980	74,951
Accruals and deferred income	<u>109,327</u>	<u>126,417</u>
	<u>1,022,172</u>	<u>1,180,788</u>

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

	2021 £	2020 £
Amounts owed to group undertakings	<u>6,178,297</u>	<u>3,029,171</u>

COUSINS MATERIAL HOUSE LIMITED (REGISTERED NUMBER: 04890253)**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 OCTOBER 2021****15. PROVISIONS FOR LIABILITIES**

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	<u>53,510</u>	<u>17,984</u>
		Deferred tax £
Balance at 1 November 2020		17,984
Accelerated capital allowances		<u>35,526</u>
Balance at 31 October 2021		<u>53,510</u>

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
80	Ordinary	£1	80	80
20	A Ordinary	£1	20	20
2	B Ordinary	£1	2	2
2	C Ordinary	£1	2	2
16	D Ordinary	£1	<u>16</u>	<u>16</u>
			<u>120</u>	<u>120</u>

17. RESERVES

	Retained earnings £
At 1 November 2020	5,233,671
Profit for the year	1,014,175
Dividends	<u>(3,350,000)</u>
At 31 October 2021	<u>2,897,846</u>

18. CAPITAL COMMITMENTS

At the year end the company had committed to pay £107,040 for the implementation of a new cloud based business management software in the next financial year.

19. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

At the balance sheet date, the company owed Mr A Cousins £85,980 (2020: £74,951).

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

20. 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.

During the period the company paid rent to Executive Directors Pension scheme of £64,000 (2020: £64,000) for the year. At the year end, Cousins Material House was owed £Nil (2020: £678,729) from the pension scheme by way of intercompany loan.

Cousins Material House was also owed £Nil by Cousins Family Trust (2020: £451,408) by way of intercompany loan.

During the year, the company loaned monies to close family members of the director, Mr A Cousins. At the balance sheet date Mr S Cousins owed the company £Nil (2020: £121,690).

21. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is A Cousins by virtue of his shareholding in Cousins Trading Group Limited.

22. SECURED DEBTS

Cousins Trading Group Limited holds a fixed charge over all intellectual property of Cousins Material House Limited

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