

COMPANY REGISTRATION NUMBER: 01166890

Unsworth (U.K.) Limited
Financial statements
For the year ended
31 October 2021



Unsworth (U.K.) Limited

Financial statements

Year ended 31 October 2021

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Unsworth (U.K.) Limited

Officers and professional advisers

The board of directors

Mr G M Hogg
Mrs K S T Hogg
Mr R M Hogg
Mr C G Hogg

Company secretary

Mrs K S T Hogg

Registered office

3 Lemna Road
London
E11 1JL

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Bankers

Barclays Bank plc
Walthamstow Branch
North-East London Group
P O Box 2403
London
N18 2BY

Unsworth (U.K.) Limited

Strategic report

Year ended 31 October 2021

Introduction

The directors present their strategic report for Unsworth (UK) Limited for the year ended 31 October 2021.

Principal activities

The principal activity of the company continues to be that of multimodal freight management.

Business review

We aim to present a balanced and comprehensive review of the development and performance of our business and its position at the year end. Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

The company's key financial and other performance indicators during the year were as follows;

| | 2021 | 2020 |
|-------------------------|-------------|-------------|
| | £ | £ |
| Turnover | 54,120,035 | 35,347,068 |
| Gross profit | 6,594,644 | 3,325,854 |
| Gross profit % | 12.2% | 9.4% |
| Administrative Expenses | (5,101,097) | (3,019,869) |
| Operating profit | 1,581,364 | 445,209 |

The financial year, has been extremely challenging with continued disruption to international supply chains due to Covid 19. The exit of the UK from the EU in January 2021 has presented opportunities and challenges to Unsworth. Fortunately as a result of the substantial investment in technology over the previous two years the business has been well placed to rapidly adapt to provide the solutions needed by its customers.

As a result turnover and operating profit have increased significantly over prior year, as we attracted new Customs Brokerage and Freight clients. Despite the efficiencies of the new IT systems Administrative expenses have increased to support the servicing of the new business and reflect the level of customer care needed.

The directors are satisfied with the company's statement of financial position at the year end, which shows net current assets of £1,891,844 and shareholder's funds of £1,985,490.

Our business is sensitive to consumer spending patterns and external factors such as interest rate levels,

This report was approved by the board of directors on 18/3/22 and signed on behalf of the board by:



Mrs K S T Hogg
Company Secretary

Registered office:
3 Lemna Road
London
E11 1JL

Unsworth (U.K.) Limited

Directors' report

Year ended 31 October 2021

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

Directors

The directors who served the company during the year were as follows:

Mr G M Hogg
Mrs K S T Hogg
Mr R M Hogg
Mr C G Hogg

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Disclosure of information in the strategic report

The company has prepared a strategic report in accordance with section 414C of the Companies Act 2006.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report 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 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 judgments 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.

Unsworth (U.K.) Limited

Directors' report *(continued)*

Year ended 31 October 2021

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 18/3/22 and signed on behalf of the board by:


Mrs K S T Hogg
Company Secretary

Registered office:
3 Lemna Road
London
E11 1JL

Unsworth (U.K.) Limited

Independent auditor's report to the members of Unsworth (U.K.) Limited

Year ended 31 October 2021

Opinion

We have audited the financial statements of Unsworth (U.K.) Limited (the 'company') for the year ended 31 October 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, 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 FRS 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;
- 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 auditor's 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Unsworth (U.K.) Limited

Independent auditor's report to the members of Unsworth (U.K.) Limited *(continued)*

Year ended 31 October 2021

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' responsibilities statement, 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 is 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.

Unsworth (U.K.) Limited

Independent auditor's report to the members of Unsworth (U.K.) Limited (continued)

Year ended 31 October 2021

Auditor's 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

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 an auditor's report 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.

Lovewell Blake

Steven Scarlett FCA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

21st March 2022

Unsworth (U.K.) Limited

Statement of income and retained earnings

Year ended 31 October 2021

| | | 2021 £ | 2020 £ |
|---|---------------|------------------|------------------|
| Turnover | Note 4 | 54,120,035 | 35,347,068 |
| Cost of sales | | (47,525,391) | (32,021,214) |
| Gross profit | | 6,594,644 | 3,325,854 |
| Administrative expenses | | (5,101,097) | (3,019,869) |
| Other operating income | | 87,817 | 139,224 |
| Operating profit | 5 | 1,581,364 | 445,209 |
| Other interest receivable and similar income | 9 | 14,378 | 20,580 |
| Interest payable and similar expenses | 10 | (9,750) | (9,750) |
| Profit before taxation | | 1,585,992 | 456,039 |
| Tax on profit | 11 | (304,316) | (87,518) |
| Profit for the financial year and total comprehensive income | | 1,281,676 | 368,521 |
| Dividends paid and payable | 12 | (347,065) | — |
| Retained earnings at the start of the year | | 941,049 | 572,528 |
| Retained earnings at the end of the year | | 1,875,660 | 941,049 |

All the activities of the company are from continuing operations.

The notes on pages 11 to 20 form part of these financial statements.

Unsworth (U.K.) Limited
Statement of financial position
31 October 2021

| | Note | 2021 £ | £ | 2020 £ | £ |
|--|------|-------------|-----------|-------------|-----------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 113,868 | | 116,825 |
| Current assets | | | | | |
| Stocks | 14 | 82,957 | | 34,393 | |
| Debtors | 15 | 7,528,851 | | 4,995,366 | |
| Investments | 16 | 291,016 | | 257,121 | |
| Cash at bank and in hand | | 2,706,569 | | 2,873,546 | |
| | | 10,609,393 | | 8,160,426 | |
| Creditors: Amounts falling due within one year | 17 | (8,717,379) | | (7,076,178) | |
| Net current assets | | | 1,892,014 | | 1,084,248 |
| Total assets less current liabilities | | | 2,005,882 | | 1,201,073 |
| Creditors: Amounts falling due after more than one year | 18 | | — | | (131,945) |
| Provisions | | | | | |
| Taxation including deferred tax | 19 | | (20,222) | | (18,079) |
| Net assets | | | 1,985,660 | | 1,051,049 |
| Capital and reserves | | | | | |
| Called up share capital | 24 | | 91,333 | | 91,333 |
| Capital redemption reserve | 25 | | 18,667 | | 18,667 |
| Profit and loss account | 25 | | 1,875,660 | | 941,049 |
| Shareholders funds | | | 1,985,660 | | 1,051,049 |

These financial statements were approved by the board of directors and authorised for issue on 18/3/22, and are signed on behalf of the board by:

Mr G M Hogg
Director



Mrs K S T Hogg
Director



Company registration number: 01166890

The notes on pages 11 to 20 form part of these financial statements.

Unsworth (U.K.) Limited

Statement of cash flows

Year ended 31 October 2021

| | 2021 £ | 2020 £ |
|---|------------------|--------------------|
| Cash flows from operating activities | | |
| Profit for the financial year | 1,281,676 | 368,521 |
| <i>Adjustments for:</i> | | |
| Depreciation of tangible assets | 36,260 | 36,083 |
| Other interest receivable and similar income | (14,378) | (20,580) |
| Interest payable and similar expenses | 9,750 | 9,750 |
| Tax on profit | 304,316 | 87,518 |
| Accrued expenses | 518,681 | 168,972 |
| <i>Changes in:</i> | | |
| Stocks | (48,564) | (32,967) |
| Trade and other debtors | (2,533,485) | (1,377,148) |
| Trade and other creditors | 995,104 | (637,897) |
| Cash generated from operations | 549,360 | (1,397,748) |
| Interest paid | (9,750) | (9,750) |
| Interest received | 14,378 | 20,580 |
| Tax paid | (91,423) | (54,174) |
| Net cash from/(used in) operating activities | <u>462,565</u> | <u>(1,441,092)</u> |
| Cash flows from investing activities | | |
| Purchase of tangible assets | (33,303) | (28,201) |
| Purchases of other investments | (44,481) | – |
| Proceeds from sale of other investments | 10,585 | 13,032 |
| Net cash used in investing activities | <u>(67,199)</u> | <u>(15,169)</u> |
| Cash flows from financing activities | | |
| Proceeds from borrowings | – | 250,000 |
| Repayments of borrowings | (215,278) | (34,722) |
| Dividends paid | (347,065) | – |
| Net cash (used in)/from financing activities | <u>(562,343)</u> | <u>215,278</u> |
| Net decrease in cash and cash equivalents | <u>(166,977)</u> | <u>(1,240,983)</u> |
| Cash and cash equivalents at beginning of year | <u>2,873,546</u> | <u>4,114,529</u> |
| Cash and cash equivalents at end of year | <u>2,706,569</u> | <u>2,873,546</u> |

The notes on pages 11 to 20 form part of these financial statements.

Unsworth (U.K.) Limited

Notes to the financial statements

Year ended 31 October 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 3 Lemna Road, London, E11 1JL.

2. Statement of compliance

The financial statements of Unsworth (U.K.) Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Significant judgements

The directors are of the opinion that the judgements that management has made in the process of applying the entity's accounting policies have not had a significant effect on the amounts recognised in the financial statements.

(b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors are of the opinion that the estimates made in the process of applying the entity's accounting policies have not had a significant effect on the amounts recognised in the financial statements.

Revenue recognition

The turnover shown in the profit and loss account represents the amount of freight forwarding and logistic services provided during the year, exclusive of Value Added Tax.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome can not be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Provision is made, under the liability method, to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. Tax deferred or accelerated is accounted for in respect of all material timing differences.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Operating leases

Rentals applicable to operating leases where substantially all 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.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

| | | |
|-----------------------|---|-------------------|
| Fixtures and fittings | - | 15% straight line |
| Motor vehicles | - | 20% straight line |

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Work in progress

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

Investments

Current asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Government grants

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

3. Accounting policies *(continued)*

Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value the future payments discounted at a market rate of interest.

Such assets are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income immediately.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

| | 2021 £ | 2020 £ |
|-----------------------|------------|------------|
| Rendering of services | 54,120,035 | 35,347,068 |

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

5. Operating profit

Operating profit or loss is stated after charging/crediting:

| | 2021 | 2020 |
|---------------------------------|------------------|------------------|
| | £ | £ |
| Depreciation of tangible assets | 36,260 | 36,083 |
| Operating lease charges | 59,080 | 60,750 |
| Foreign exchange gains | <u>(201,315)</u> | <u>(143,047)</u> |

6. Auditor's remuneration

| | 2021 | 2020 |
|--|---------------|---------------|
| | £ | £ |
| Fees payable for the audit of the financial statements | <u>11,000</u> | <u>10,400</u> |

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

| | 2021 | 2020 |
|----------------------|-----------|-----------|
| | No. | No. |
| Administrative staff | 75 | 55 |
| Number of directors | <u>4</u> | <u>4</u> |
| | <u>79</u> | <u>59</u> |

The aggregate payroll costs incurred during the year, relating to the above, were:

| | 2021 | 2020 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 3,247,943 | 1,808,998 |
| Social security costs | 345,342 | 173,765 |
| Other pension costs | <u>75,442</u> | <u>112,662</u> |
| | <u>3,668,727</u> | <u>2,095,425</u> |

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Remuneration | 638,504 | 201,510 |
| Company contributions to defined contribution pension plans | <u>20,000</u> | <u>80,000</u> |
| | <u>658,504</u> | <u>281,510</u> |

The number of directors who accrued benefits under company pension plans was as follows:

| | 2021 | 2020 |
|----------------------------|----------|----------|
| | No. | No. |
| Defined contribution plans | <u>2</u> | <u>2</u> |

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

8. Directors' remuneration *(continued)*

Remuneration of the highest paid director in respect of qualifying services:

| | 2021 £ | 2020 £ |
|---|----------------|----------------|
| Aggregate remuneration | 334,361 | 101,169 |
| Company contributions to defined contribution pension plans | 10,000 | 40,000 |
| | <u>344,361</u> | <u>141,169</u> |

9. Other interest receivable and similar income

| | 2021 £ | 2020 £ |
|---------------------------------------|---------------|---------------|
| Interest on cash and cash equivalents | 188 | 10,860 |
| Income from current asset investments | 14,190 | 9,720 |
| | <u>14,378</u> | <u>20,580</u> |

10. Interest payable and similar expenses

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Dividends paid on shares classed as debt | 9,750 | 9,750 |

11. Tax on profit

Major components of tax expense

| | 2021 £ | 2020 £ |
|--|----------------|---------------|
| Current tax: | | |
| UK current tax expense | 302,146 | 91,396 |
| Adjustments in respect of prior periods | 27 | (30) |
| Total current tax | <u>302,173</u> | <u>91,366</u> |
| Deferred tax: | | |
| Origination and reversal of timing differences | 2,143 | (3,848) |
| Tax on profit | <u>304,316</u> | <u>87,518</u> |

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

11. Tax on profit *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

The differences are explained below:-

| | 2021 £ | 2020 £ |
|---|----------------|---------------|
| Profit on ordinary activities before taxation | 1,585,992 | 456,039 |
| Profit on ordinary activities by rate of tax | 301,338 | 86,647 |
| Effect of expenses not deductible for tax purposes | 5,151 | 2,718 |
| Income not taxable | (2,696) | (1,847) |
| Difference in rates used for corporation tax and deferred tax | 523 | — |
| Tax on profit | <u>304,316</u> | <u>87,518</u> |

12. Dividends

Equity dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

| | 2021 £ | 2020 £ |
|-------------------------------------|----------------|-----------|
| Equity dividends on ordinary shares | <u>347,065</u> | <u>—</u> |

13. Tangible assets

| | Fixtures and fittings £ | Motor vehicles £ | Total £ |
|------------------------|-------------------------------|------------------------|----------------|
| Cost | | | |
| At 1 Nov 2020 | 698,432 | 66,955 | 765,387 |
| Additions | 33,303 | — | 33,303 |
| At 31 Oct 2021 | <u>731,735</u> | <u>66,955</u> | <u>798,690</u> |
| Depreciation | | | |
| At 1 Nov 2020 | 608,485 | 40,077 | 648,562 |
| Charge for the year | 26,006 | 10,254 | 36,260 |
| At 31 Oct 2021 | <u>634,491</u> | <u>50,331</u> | <u>684,822</u> |
| Carrying amount | | | |
| At 31 Oct 2021 | <u>97,244</u> | <u>16,624</u> | <u>113,868</u> |
| At 31 Oct 2020 | <u>89,947</u> | <u>26,878</u> | <u>116,825</u> |

14. Stocks

| | 2021 £ | 2020 £ |
|----------------------------|---------------|---------------|
| Stock and work in progress | <u>82,957</u> | <u>34,393</u> |

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

15. Debtors

| | 2021 | 2020 |
|--------------------------------|------------------|------------------|
| | £ | £ |
| Trade debtors | 6,844,313 | 4,285,859 |
| Prepayments and accrued income | 147,702 | 64,346 |
| Other debtors | 536,836 | 645,161 |
| | <u>7,528,851</u> | <u>4,995,366</u> |

An impairment loss of £48,930 (2020 - £2,388) was recognised in administrative expenses during the year relating to the movement in provision for irrecoverable trade debtors.

16. Investments

| | 2021 | 2020 |
|--------------------|----------------|----------------|
| | £ | £ |
| Listed investments | <u>291,016</u> | <u>257,121</u> |

17. Creditors: Amounts falling due within one year

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Bank loans | — | 83,333 |
| Trade creditors | 7,547,821 | 6,552,718 |
| Accruals and deferred income | 802,412 | 283,731 |
| Corporation tax | 302,146 | 91,396 |
| Shares classed as financial liabilities | 65,000 | 65,000 |
| | <u>8,717,379</u> | <u>7,076,178</u> |

18. Creditors: Amounts falling due after more than one year

| | 2021 | 2020 |
|------------|----------|----------------|
| | £ | £ |
| Bank loans | <u>—</u> | <u>131,945</u> |

19. Provisions

| | Deferred tax (note 20) |
|----------------|---------------------------|
| | £ |
| At 1 Nov 2020 | 18,079 |
| Additions | 2,143 |
| At 31 Oct 2021 | <u>20,222</u> |

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

20. Deferred tax

The deferred tax included in the statement of financial position is as follows:

| | 2021 £ | 2020 £ |
|----------------------------------|-----------|-----------|
| Included in provisions (note 19) | 20,222 | 18,079 |

The deferred tax account consists of the tax effect of timing differences in respect of:

| | 2021 £ | 2020 £ |
|--------------------------------|-----------|-----------|
| Accelerated capital allowances | 22,828 | 20,536 |
| Unused tax losses | (2,606) | (2,457) |
| | 20,222 | 18,079 |

21. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £75,442 (2020: £112,662).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Recognised in other operating income: | | |
| Government grants recognised directly in income | 87,817 | 139,224 |

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

| | 2021 £ | 2020 £ |
|---|-----------|-----------|
| Financial assets measured at fair value through profit or loss | | |
| Financial assets measured at fair value through profit or loss | 291,016 | 257,121 |

24. Called up share capital

Issued, called up and fully paid

| | 2021 | | 2020 | |
|--|--------|--------|--------|--------|
| | No. | £ | No. | £ |
| Amounts presented in equity: | | | | |
| Ordinary shares of £1 each | 91,333 | 91,333 | 91,333 | 91,333 |
| Amounts presented in liabilities: | | | | |
| 15 % Preference shares of £1 each | 65,000 | 65,000 | 65,000 | 65,000 |

The 15% cumulative preference shares of £1 each do not carry a vote, however do have entitlement to surpluses on winding up.

Unsworth (U.K.) Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2021

25. Reserves

Called up share capital - this reserve represents the nominal value of shares that have been issued.

Capital redemption reserve - this reserve records the nominal value of shares repurchased by the company.

Profit and loss account - this reserve records retained earnings and accumulated losses.

26. Analysis of changes in net debt

| | At 1 Nov 2020 | Cash flows | At 31 Oct 2021 |
|---------------------------|------------------|---------------|-------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 2,873,546 | (166,977) | 2,706,569 |
| Debt due within one year | (83,333) | 83,333 | — |
| Debt due after one year | (131,945) | 131,945 | — |
| Current asset investments | 257,121 | 33,895 | 291,016 |
| | <u>2,915,389</u> | <u>82,196</u> | <u>2,997,585</u> |

27. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2021 | 2020 |
|--|---------------|----------------|
| | £ | £ |
| Not later than 1 year | 55,740 | 60,750 |
| Later than 1 year and not later than 5 years | 37,160 | 84,250 |
| | <u>92,900</u> | <u>145,000</u> |

28. Related party transactions

The company paid fees to Myers Hogg and Co., an organisation controlled by G M Hogg and R M Hogg in respect of services provided during the year, amounting to £36,000 (2020 - £36,000). Fees in respect of services for £126,000 (2020 - £81,000) were also paid to Thoresbygrange Limited, a company controlled by G M Hogg and K S T Hogg. In addition services of £70,000 (2020 - £52,000) were provided by Universal Mercantile Services Ltd, a company controlled by G M Hogg and K S T Hogg.

During the year, the company received freight related services amounting to £337,269 (2020 - £327,225) from Universal Global Logistics Asia Pacific Pte Ltd, an entity which is controlled by K S T Hogg. In addition a further £31,572 (2020 - £37,191) of charges were incurred by the company in relation to the provision of overseas office services.

A further £8,000 (2020 - £8,000) of charges were incurred by the company in relation to the provision of overseas office services.

During the year the company advanced £10,000 to Universal Properties Isle of Man Ltd which is controlled by GM Hogg and KST Hogg.

29. Controlling party

The company is controlled by Mr G M Hogg and Mrs K S T Hogg by virtue of their combined 100% shareholding of the ordinary share capital of the company.