

Company Registration No. 05098040 (England and Wales)

**1ST CONTAINERS (UK) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**

# 1ST CONTAINERS (UK) LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr M K Brenner Mrs C E Brenner
<b>Secretary</b>	Mr M K Brenner
<b>Company number</b>	05098040
<b>Registered office</b>	Rainham House Manor Way Rainham RM13 8RH
<b>Auditor</b>	Ad Valorem (Audit) LLP 2 Manor Farm Court Old Wolverton Road Old Wolverton Milton Keynes MK12 5NN
<b>Business address</b>	Rainham House Manor Way Rainham RM13 8RH

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# 1ST CONTAINERS (UK) LIMITED

## CONTENTS

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	Page
Strategic report	1
Directors' report	2 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Profit and loss account	8
Group statement of comprehensive income	9
Group balance sheet	10
Company balance sheet	11 - 12
Group statement of changes in equity	13
Company statement of changes in equity	14
Group statement of cash flows	15
Company statement of cash flows	16
Notes to the financial statements	17 - 32

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# 1ST CONTAINERS (UK) LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Directors' strategic report

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

The principle trading activity of the group is the purchase, resale, leasing and conversion of ISO standard shipping containers.

The year to 31 March 2021 was transformational as turnover increased from £14,160,981 to £24,919,345 with a corresponding uplift in profit before tax from £1,026,248 to £3,943,962. The key drivers being

- A year on year increase in the volume of containers sold
- A market wide price increase following the impact of Covid-19.
- The award of a Covid-19 related leasing contract which required a £5m capital investment in container assets which in turn generate incremental revenue and EBITDA
- The award of a Covid-19 related storage contract which materially increased the Company's land utilisation in turn generating incremental revenue and EBITDA
- The award of a Covid-19 related container movement contract which generated income and EBITDA from the repositioning of world-wide container assets

During March 2021 the group also started a strategic partnership with the Allseas Global Logistics Group to act as the sole supplier of container assets for a new shipping line start up, China Express Line (CEL).

To meet the increase in demand for our core business and the additional services, changes to the operating model were made during the year. More land was obtained at our site in London Gateway and an investment made into a cloud based inventory and yard management system. The new system facilitates the global tracking of container assets and improves yard utilisation.

### The Future

As at 31 March 2021, the group was poised to capitalise on the significant growth opportunity China Express Line brings. The strategic partnership will see the group continue to invest heavily in container assets and establish itself a global presence in the container resale and leasing market. By the year ended 31 December 2021, the group is forecast to own and have on hire in excess of 7,000 unencumbered container assets which will generate free cash flow in perpetuity for at least the next five to seven years.

### Principle Risks

The group's principle risk relates to fluctuations in container prices and the Directors believe this risk is mitigated as the container fleet is unencumbered. For resale assets, price fluctuations are passed through to customers and there is no reason to suspect demand for container assets will fall in the near future.

Other than pricing risk, the group is subject to the impact of the Covid-19 pandemic, a storm weathered well to date and FX translation risk which is mitigated by cash flow hedging.

On behalf of the board

Mr M K Brenner

**Director**

18 December 2021

# 1ST CONTAINERS (UK) LIMITED

## DIRECTORS' REPORT

**FOR THE YEAR ENDED 31 MARCH 2021**

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The directors present their annual report and financial statements for the year ended 31 March 2021.

### Principal activities

The principal activities of the company continued to be that of buying and selling containers, along with the hire of containers and the provision of storage facilities.

### Results and dividends

The results for the year are set out on page 8.

Ordinary dividends were paid amounting to £100,100. The directors do not recommend payment of a further dividend.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr M K Brenner

Mrs C E Brenner

### Post reporting date events

The UK along with much of the rest of the world continues to manage the impact of the pandemic caused by Covid-19. In March 2020 the UK Government introduced unprecedented measures to restrict the spread of the virus including closing down whole sectors of the economy and requiring most people, other than essential workers, to stay at home. During June 2020, some of the initial restrictions had been eased slightly as the Government sought to restart the economy. However at the start of November 2020, the Government introduced a second lockdown period. A Tier 3 lockdown in December and a Tier 4 lockdown in January 2021 in an effort to restrict the growing number of cases, once again closing down large areas of the economy. As of the date of this report the UK Government is following a timetable out of the most recent lockdown which has led to all restrictions being lifted in July 2021. It remains uncertain as to how long the pandemic will last and what other impacts will arise afterwards. The company is continuing to operate, ensuring a safe environment for its employees with appropriate social distancing and extra hygiene measures in place. The directors will continue to assess the potential impacts, mitigating actions and financial consequences of the pandemic on the company.

### Future developments

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium Companies and Groups (Accounts and Reports) Regulation 2008, Sch.7 to be contained in the directors' report. It has done so in respect of Future Developments.

### Auditor

Ad Valorem (Audit) LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

# **1ST CONTAINERS (UK) LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2021***

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On behalf of the board

Mr M K Brenner  
**Director**

Mrs C E Brenner  
**Director**

18 December 2021

# **1ST CONTAINERS (UK) LIMITED**

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2021***

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The directors are responsible for preparing the Annual 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 group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# 1ST CONTAINERS (UK) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF 1ST CONTAINERS (UK) LIMITED

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#### Qualified opinion on financial statements

We have audited the financial statements of 1st Containers (UK) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 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 qualified opinion

We were not appointed as auditors of the company until after the 31 March 2021 and thus did not observe the counting of physical stock at the end of the year. We were unable to satisfy ourselves by alternative means concerning the stock held at 31 March 2021, which are included in the balance sheet at £3.8m, by using other audit procedures. Consequently we were unable to determine whether any adjustments to this amount was necessary.

After the year end the company changed their stock and fixed asset management control system. As such we were unable to test the underlying stock system from which the stock and fixed assets are derived from. We have therefore been unable to satisfy ourselves as to the existence, completeness and valuation of stock and fixed assets in the financial statements.

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 group's and 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.



# **1ST CONTAINERS (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF 1ST CONTAINERS (UK) LIMITED**

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#### **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 contained within the annual report. 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. 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 course of 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 our 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 respect solely of the limitation on our work relating to stock and fixed assets, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

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 strategic report and the directors' report.

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.

#### **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 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 company or to cease operations, or have no realistic alternative but to do so.

# **1ST CONTAINERS (UK) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF 1ST CONTAINERS (UK) LIMITED**

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#### **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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

**Jackie Wilding (Senior Statutory Auditor)**  
**For and on behalf of Ad Valorem (Audit) LLP**

21 December 2021

**Chartered Accountants**  
**Statutory Auditor**

2 Manor Farm Court  
Old Wolverton Road  
Old Wolverton  
Milton Keynes  
MK12 5NN

# 1ST CONTAINERS (UK) LIMITED

## GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	24,919,345	14,160,981
Cost of sales		(20,185,982)	(12,512,299)
<b>Gross profit</b>		<u>4,733,363</u>	<u>1,648,682</u>
Administrative expenses		(835,880)	(616,454)
Other operating income		58,398	-
<b>Operating profit</b>	<b>4</b>	<u>3,955,881</u>	<u>1,032,228</u>
Interest receivable and similar income	<b>8</b>	404	191
Interest payable and similar expenses	<b>9</b>	(12,324)	(6,172)
<b>Profit before taxation</b>		<u>3,943,961</u>	<u>1,026,247</u>
Tax on profit	<b>10</b>	(869,380)	(197,488)
<b>Profit for the financial year</b>		<u><u>3,074,581</u></u>	<u><u>828,759</u></u>

Profit for the financial year is all attributable to the owners of the parent company.

# 1ST CONTAINERS (UK) LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

*FOR THE YEAR ENDED 31 MARCH 2021*

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	2021	2020
	£	£
Profit for the year	3,074,581	828,759
Other comprehensive income	-	-
Total comprehensive income for the year	<u>3,074,581</u>	<u>828,759</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

# 1ST CONTAINERS (UK) LIMITED

## GROUP BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12		5,176,170		2,120,244
<b>Current assets</b>					
Stocks	15	3,799,702		2,013,506	
Debtors	16	4,563,436		2,606,672	
Cash at bank and in hand		3,878,915		1,157,276	
		<u>12,242,053</u>		<u>5,777,454</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(8,489,540)</u>		<u>(3,634,233)</u>	
<b>Net current assets</b>			3,752,513		2,143,221
<b>Total assets less current liabilities</b>			<u>8,928,683</u>		<u>4,263,465</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(1,903,550)		(425,278)
<b>Provisions for liabilities</b>					
Deferred tax liability	20	529,249		316,785	
		<u>(529,249)</u>		<u>(316,785)</u>	
<b>Net assets</b>			<u>6,495,884</u>		<u>3,521,402</u>
<b>Capital and reserves</b>					
Called up share capital	22		100		100
Revaluation reserve			11,482		11,482
Profit and loss reserves			6,484,302		3,509,820
<b>Total equity</b>			<u>6,495,884</u>		<u>3,521,402</u>

The financial statements were approved by the board of directors and authorised for issue on 18 December 2021 and are signed on its behalf by:

Mr M K Brenner  
Director

Mrs C E Brenner  
Director

# 1ST CONTAINERS (UK) LIMITED

## COMPANY BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	12	5,092,368		2,069,987	
Investments	13	1,002		1,002	
		<u>5,093,370</u>		<u>2,070,989</u>	
<b>Current assets</b>					
Stocks	15	3,799,702		2,013,506	
Debtors	16	4,508,390		2,495,421	
Cash at bank and in hand		3,854,325		1,094,111	
		<u>12,162,417</u>		<u>5,603,038</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(8,455,502)</u>		<u>(3,511,185)</u>	
<b>Net current assets</b>			3,706,915		2,091,853
<b>Total assets less current liabilities</b>			<u>8,800,285</u>		<u>4,162,842</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(1,847,737)		(402,086)
<b>Provisions for liabilities</b>					
Deferred tax liability	20	529,249		316,785	
		<u>(529,249)</u>		<u>(316,785)</u>	
<b>Net assets</b>			<u>6,423,299</u>		<u>3,443,971</u>
<b>Capital and reserves</b>					
Called up share capital	22		100		100
Revaluation reserve			11,482		11,482
Profit and loss reserves			6,411,717		3,432,389
<b>Total equity</b>			<u>6,423,299</u>		<u>3,443,971</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £3,079,428 (2020 - £831,150 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

# **1ST CONTAINERS (UK) LIMITED**

## **COMPANY BALANCE SHEET (CONTINUED)**

***AS AT 31 MARCH 2021***

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The financial statements were approved by the board of directors and authorised for issue on 18 December 2021 and are signed on its behalf by:

Mr M K Brenner  
**Director**

Mrs C E Brenner  
**Director**

**Company Registration No. 05098040**

# 1ST CONTAINERS (UK) LIMITED

## GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 April 2019</b>		100	11,482	2,841,049	2,852,631
<b>Year ended 31 March 2020:</b>					
Profit and total comprehensive income for the year		-	-	828,759	828,759
Dividends	11	-	-	(159,990)	(159,990)
<b>Balance at 31 March 2020</b>		100	11,482	3,509,818	3,521,400
<b>Year ended 31 March 2021:</b>					
Profit and total comprehensive income for the year		-	-	3,074,581	3,074,581
Dividends	11	-	-	(100,100)	(100,100)
<b>Balance at 31 March 2021</b>		100	11,482	6,484,299	6,495,881



# 1ST CONTAINERS (UK) LIMITED

## COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2021

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
<b>Balance at 1 April 2019</b>		100	11,482	2,761,229	2,772,811
<b>Year ended 31 March 2020:</b>					
Profit and total comprehensive income for the year		-	-	831,150	831,150
Dividends	11	-	-	(159,990)	(159,990)
<b>Balance at 31 March 2020</b>		100	11,482	3,432,389	3,443,971
<b>Year ended 31 March 2021:</b>					
Profit and total comprehensive income for the year		-	-	3,079,428	3,079,428
Dividends	11	-	-	(100,100)	(100,100)
<b>Balance at 31 March 2021</b>		100	11,482	6,411,717	6,423,299

# 1ST CONTAINERS (UK) LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	24	4,706,695	78,285
Interest paid		(12,324)	(6,172)
Income taxes paid		(202,466)	(399,576)
<b>Net cash inflow/(outflow) from operating activities</b>		4,491,905	(327,463)
<b>Investing activities</b>			
Purchase of tangible fixed assets		(3,458,087)	(531,268)
Proceeds on disposal of tangible fixed assets		15,157	-
Interest received		404	189
<b>Net cash used in investing activities</b>		(3,442,526)	(531,079)
<b>Financing activities</b>			
Repayment of borrowings		57,084	-
Repayment of bank loans		1,715,276	156,210
Dividends paid to equity shareholders		(100,100)	(159,990)
<b>Net cash generated from/(used in) financing activities</b>		1,672,260	(3,780)
<b>Net increase/(decrease) in cash and cash equivalents</b>		2,721,639	(862,319)
Cash and cash equivalents at beginning of year		1,157,276	2,019,595
<b>Cash and cash equivalents at end of year</b>		3,878,915	1,157,276

# 1ST CONTAINERS (UK) LIMITED

## COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	25	4,740,164		73,238	
Interest paid		(12,324)		(6,172)	
Income taxes paid		(195,177)		(397,944)	
<b>Net cash inflow/(outflow) from operating activities</b>		4,532,663		(330,878)	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(3,422,880)		(494,063)	
Proceeds on disposal of tangible fixed assets		14,601		-	
Interest received		404		189	
<b>Net cash used in investing activities</b>		(3,407,875)		(493,874)	
<b>Financing activities</b>					
Repayment of bank loans		1,735,526		135,960	
Dividends paid to equity shareholders		(100,100)		(159,990)	
<b>Net cash generated from/(used in) financing activities</b>		1,635,426		(24,030)	
<b>Net increase/(decrease) in cash and cash equivalents</b>		2,760,214		(848,782)	
Cash and cash equivalents at beginning of year		1,094,111		1,942,893	
<b>Cash and cash equivalents at end of year</b>		3,854,325		1,094,111	

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Company information**

1st Containers (UK) Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Rainham House, Manor Way, Rainham, RM13 8RH.

The group consists of 1st Containers (UK) Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Business combinations**

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

#### **1.3 Basis of consolidation**

The consolidated group financial statements consist of the financial statements of the parent company 1st Containers (UK) Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

#### 1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied;

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Turnover comprises revenue recognised by the company in respect of the supply of pharmaceutical products and services purchased through the NHS during the year, exclusive of Value Added Tax and trade discounts. NHS Income is credited on an accrual basis when the respective prescriptions are issued.

Turnover in the subsidiaries comprises revenue recognised by the companies in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	10% - 25% Reducing balance
Fixtures and fittings	10% -25% Reducing balance
Computers	25% Reducing balance
Motor vehicles	25% Reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

#### 1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the 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 an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### 1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

##### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

##### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

### 1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

### 1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

### 1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.



# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

#### 1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

#### 1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

### 2 Judgements and key sources of estimation uncertainty

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.

### 3 Turnover and other revenue

	2021	2020
	£	£
<b>Turnover analysed by class of business</b>		
Turnover	24,919,345	14,160,981
	<u>24,919,345</u>	<u>14,160,981</u>
	2021	2020
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	24,919,345	14,160,981
	<u>24,919,345</u>	<u>14,160,981</u>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

<b>3 Turnover and other revenue</b>	<b>(Continued)</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Other significant revenue</b>		
Interest income	404	191
Grants received	48,203	-
	<u>48,607</u>	<u>191</u>
<b>4 Operating profit</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(113,903)	(57,956)
Government grants	(48,203)	-
Depreciation of owned tangible fixed assets	394,464	228,721
Profit on disposal of tangible fixed assets	(7,459)	-
Operating lease charges	288,063	252,234
	<u>514,862</u>	<u>422,996</u>
<b>5 Auditor's remuneration</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	20,000	-
	<u>20,000</u>	<u>-</u>
<b>6 Employees</b>		
The average monthly number of persons (including directors) employed by the group and company during the year was:		
	<b>Group</b>	<b>Company</b>
	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Employees	11	11
	<u>11</u>	<u>11</u>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	301,902	160,344	271,827	100,492
Social security costs	27,240	7,569	27,240	6,877
Pension costs	3,129	2,030	3,129	2,030
	<u>332,271</u>	<u>169,943</u>	<u>302,196</u>	<u>109,399</u>

### 7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	176,164	22,497
Company pension contributions to defined contribution schemes	1,177	258
	<u>177,341</u>	<u>22,755</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

### 8 Interest receivable and similar income

	2021 £	2020 £
<b>Interest income</b>		
Interest on bank deposits	404	191
	<u>404</u>	<u>191</u>
Investment income includes the following:		
Interest on financial assets not measured at fair value through profit or loss	404	191
	<u>404</u>	<u>191</u>

### 9 Interest payable and similar expenses

	2021 £	2020 £
<b>Interest on financial liabilities measured at amortised cost:</b>		
Interest on bank overdrafts and loans	12,324	6,172
	<u>12,324</u>	<u>6,172</u>

### 10 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	656,916	130,160
	<u>656,916</u>	<u>130,160</u>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 10 Taxation (Continued)

	2021 £	2020 £
<b>Deferred tax</b>		
Origination and reversal of timing differences	212,464	67,328
	<u>          </u>	<u>          </u>
Total tax charge	869,380	197,488
	<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit before taxation	3,943,961	1,026,247
	<u>          </u>	<u>          </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	749,353	194,987
Tax effect of expenses that are not deductible in determining taxable profit	120,027	2,501
	<u>          </u>	<u>          </u>
Taxation charge	869,380	197,488
	<u>          </u>	<u>          </u>

### 11 Dividends

	2021 £	2020 £
Recognised as distributions to equity holders:		
Interim paid	100,100	159,990
	<u>          </u>	<u>          </u>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 12 Tangible fixed assets

Group	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2020	3,302,472	874	15,771	30,291	3,349,408
Additions	3,420,690	35,208	2,190	-	3,458,088
Disposals	(21,725)	-	-	-	(21,725)
At 31 March 2021	6,701,437	36,082	17,961	30,291	6,785,771
<b>Depreciation and impairment</b>					
At 1 April 2020	1,200,503	-	9,081	19,580	1,229,164
Depreciation charged in the year	389,524	-	2,262	2,678	394,464
Eliminated in respect of disposals	(14,027)	-	-	-	(14,027)
At 31 March 2021	1,576,000	-	11,343	22,258	1,609,601
<b>Carrying amount</b>					
At 31 March 2021	5,125,437	36,082	6,618	8,033	5,176,170
At 31 March 2020	2,101,969	874	6,690	10,711	2,120,244
<b>Company</b>					
	Plant and equipment £		Computers £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2020	3,248,834		15,771	30,291	3,294,896
Additions	3,420,690		2,190	-	3,422,880
Disposals	(21,725)		-	-	(21,725)
At 31 March 2021	6,647,799		17,961	30,291	6,696,051
<b>Depreciation and impairment</b>					
At 1 April 2020	1,196,248		9,081	19,580	1,224,909
Depreciation charged in the year	387,861		2,262	2,678	392,801
Eliminated in respect of disposals	(14,027)		-	-	(14,027)
At 31 March 2021	1,570,082		11,343	22,258	1,603,683
<b>Carrying amount</b>					
At 31 March 2021	5,077,717		6,618	8,033	5,092,368
At 31 March 2020	2,052,586		6,690	10,711	2,069,987

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	-	-	1,002	1,002

#### Movements in fixed asset investments Company

Shares in  
subsidiaries  
£

#### Cost or valuation

At 1 April 2020 and 31 March 2021

1,002

#### Carrying amount

At 31 March 2021

1,002

At 31 March 2020

1,002

### 14 Subsidiaries

Details of the company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
LCS (Skip Repair, Self Store & Sales) Limited	UK	Ordinary	100.00
The Container Hire And Sales Company Ltd	UK	Ordinary	100.00
UK Container Sales Ltd	UK	Ordinary	1.00

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves £	Profit/(Loss) £
LCS (Skip Repair, Self Store & Sales) Limited	57,621	24,168
The Container Hire And Sales Company Ltd	(850)	(13,391)
UK Container Sales Ltd	1	

### 15 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Raw materials and consumables	3,799,702	2,013,506	3,799,702	2,013,506

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 16 Debtors

	Group 2021	2020	Company 2021	2020
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	3,689,487	2,333,663	3,649,877	2,225,291
Corporation tax recoverable	11,981	-	-	-
Other debtors	492,200	52,879	492,200	50,000
Prepayments and accrued income	369,768	220,130	366,313	220,130
	<u>4,563,436</u>	<u>2,606,672</u>	<u>4,508,390</u>	<u>2,495,421</u>

### 17 Creditors: amounts falling due within one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Bank loans	19	728,154	61,404	728,154	61,404
Trade creditors		6,411,810	3,285,288	6,387,339	3,181,889
Corporation tax payable		598,062	131,631	593,849	127,850
Other taxation and social security		23,026	21,191	20,339	21,191
Other creditors		5,874	29,122	3,207	13,254
Accruals and deferred income		722,614	105,597	722,614	105,597
		<u>8,489,540</u>	<u>3,634,233</u>	<u>8,455,502</u>	<u>3,511,185</u>

### 18 Creditors: amounts falling due after more than one year

		Group 2021	2020	Company 2021	2020
	Notes	£	£	£	£
Bank loans and overdrafts	19	1,202,737	154,211	1,202,737	133,961
Other borrowings	19	57,084	-	-	-
Other creditors		643,729	271,067	645,000	268,125
		<u>1,903,550</u>	<u>425,278</u>	<u>1,847,737</u>	<u>402,086</u>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 19 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	1,930,891	215,615	1,930,891	195,365
Other loans	57,084	-	-	-
	<u>1,987,975</u>	<u>215,615</u>	<u>1,930,891</u>	<u>195,365</u>
Payable within one year	728,154	61,404	728,154	61,404
Payable after one year	<u>1,259,821</u>	<u>154,211</u>	<u>1,202,737</u>	<u>133,961</u>

The long-term bank loans are secured by fixed charges over the assets of the group.

### 20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the group and company, and movements thereon:

Group	Liabilities 2021 £	Liabilities 2020 £
Accelerated capital allowances	<u>529,249</u>	<u>316,785</u>
Company	Liabilities 2021 £	Liabilities 2020 £
Accelerated capital allowances	<u>529,249</u>	<u>316,785</u>
Movements in the year:	Group 2021 £	Company 2021 £
Liability at 1 April 2020	316,785	316,785
Charge to profit or loss	<u>212,464</u>	<u>212,464</u>
Liability at 31 March 2021	<u>529,249</u>	<u>529,249</u>



# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 21 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	3,129	2,030

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 22 Share capital

Group and company	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

### 23 Operating lease commitments

#### Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	749,350	212,000	749,350	212,000
Between two and five years	535,250	53,000	535,250	53,000
	1,284,600	265,000	1,284,600	265,000

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 24 Cash generated from group operations

	2021 £	2020 £
Profit for the year after tax	3,074,581	828,759
<b>Adjustments for:</b>		
Taxation charged	869,380	197,488
Finance costs	12,324	6,172
Investment income	(404)	(191)
Gain on disposal of tangible fixed assets	(7,459)	-
Depreciation and impairment of tangible fixed assets	394,464	228,721
<b>Movements in working capital:</b>		
Increase in stocks	(1,786,196)	(294,168)
Increase in debtors	(1,944,783)	(185,905)
Increase/(decrease) in creditors	4,094,788	(702,591)
<b>Cash generated from operations</b>	<b>4,706,695</b>	<b>78,285</b>

### 25 Cash generated from operations - company

	2021 £	2020 £
Profit for the year after tax	3,079,428	831,150
<b>Adjustments for:</b>		
Taxation charged	873,640	195,178
Finance costs	12,324	6,172
Investment income	(404)	(191)
Gain on disposal of tangible fixed assets	(6,903)	-
Depreciation and impairment of tangible fixed assets	392,801	225,703
<b>Movements in working capital:</b>		
Increase in stocks	(1,786,196)	(294,168)
Increase in debtors	(2,012,969)	(207,571)
Increase/(decrease) in creditors	4,188,443	(683,035)
<b>Cash generated from operations</b>	<b>4,740,164</b>	<b>73,238</b>

# 1ST CONTAINERS (UK) LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 26 Analysis of changes in net funds - group

	1 April 2020	Cash flows 31 March 2021	
	£	£	£
Cash at bank and in hand	1,157,276	2,721,639	3,878,915
Borrowings excluding overdrafts	(215,615)	(1,772,360)	(1,987,975)
	<u>941,661</u>	<u>949,279</u>	<u>1,890,940</u>

### 27 Analysis of changes in net funds - company

	1 April 2020	Cash flows 31 March 2021	
	£	£	£
Cash at bank and in hand	1,094,111	2,760,214	3,854,325
Borrowings excluding overdrafts	(195,365)	(1,735,526)	(1,930,891)
	<u>898,746</u>	<u>1,024,688</u>	<u>1,923,434</u>

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.