

Company registration number 01491356 (England and Wales)

MITCHELL CHARLESWORTH (SERVICES) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

PAGES FOR FILING WITH REGISTRAR

MITCHELL CHARLESWORTH (SERVICES) LIMITED

COMPANY INFORMATION

| | |
|--------------------------|--|
| Directors | T P Adcock A L Buckley R L Davies P L Griffiths R W Johnson A J Lavelle |
| Secretary | A J Lavelle |
| Company number | 01491356 |
| Registered office | 5 Temple Square Temple Street Liverpool Merseyside L2 5RH |
| Auditor | Riverside Accountancy Lancaster Limited 26 St Georges Quay Lancaster Lancashire LA1 1RD |
| Bankers | HSBC Bank plc 99-101 Lord Street Liverpool Merseyside L2 6PG Lloyds Bank plc 1st Floor 5 St Paul's Square Old Hall Street Liverpool Merseyside L3 9SJ |

MITCHELL CHARLESWORTH (SERVICES) LIMITED

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MITCHELL CHARLESWORTH (SERVICES) LIMITED

BALANCE SHEET

AS AT 30 APRIL 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|------------------|-----------------------|------------------|----------------------|
| Current assets | | | | | |
| Debtors | 4 | 399,769 | | 328,389 | |
| Cash at bank and in hand | | 164,207 | | 226,834 | |
| | | <u>563,976</u> | | <u>555,223</u> | |
| Creditors: amounts falling due within one year | 5 | <u>(410,290)</u> | | <u>(543,270)</u> | |
| Net current assets | | | 153,686 | | 11,953 |
| | | | <u><u>153,686</u></u> | | <u><u>11,953</u></u> |
| Capital and reserves | | | | | |
| Called up share capital | 6 | | 2,200 | | 2,200 |
| Profit and loss reserves | | | 151,486 | | 9,753 |
| | | | <u>151,486</u> | | <u>9,753</u> |
| Total equity | | | 153,686 | | 11,953 |
| | | | <u><u>153,686</u></u> | | <u><u>11,953</u></u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

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

The financial statements were approved by the board of directors and authorised for issue on 20 January 2023 and are signed on its behalf by:

P L Griffiths
Director

Company Registration No. 01491356

MITCHELL CHARLESWORTH (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

Company information

Mitchell Charlesworth (Services) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 5 Temple Square, Temple Street, Liverpool, Merseyside, L2 5RH.

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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company 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.

1.3 Turnover

Turnover represents the amount charged for staff services, office accommodation and other ancillary services excluding value added tax.

1.4 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.

1.5 Financial instruments

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

Financial assets and liabilities are offset, with 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.

MITCHELL CHARLESWORTH (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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 the statement of income and retained earnings, except that investments in equity instruments that are not publically 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 the statement of income and retained earnings, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of income and retained earnings.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in income and retained earnings.

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.

1.6 Equity instruments

Equity instruments issued by the company 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 company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.7 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 statement of income and retained earnings 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 company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MITCHELL CHARLESWORTH (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

1 Accounting policies

(Continued)

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.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of income and retained earnings, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 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.

1.9 Retirement benefits

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

1.10 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 leases asset are consumed.

1.11 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.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

MITCHELL CHARLESWORTH (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

| | 2022 Number | 2021 Number |
|-------|----------------|----------------|
| Total | 147 | 143 |

4 Debtors

| | 2022 £ | 2021 £ |
|---|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade debtors | 1 | 1,352 |
| Amounts owed by group undertakings | 316,877 | 248,993 |
| Other debtors | 39,391 | 34,544 |
| | <u>356,269</u> | <u>284,889</u> |

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Amounts falling due after more than one year: | | |
| Other debtors | 43,500 | 43,500 |
| | <u>43,500</u> | <u>43,500</u> |
| Total debtors | <u>399,769</u> | <u>328,389</u> |

5 Creditors: amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|----------------|
| Corporation tax | 33,425 | 28,370 |
| Other taxation and social security | 284,269 | 440,534 |
| Other creditors | 26,576 | 22,702 |
| Accruals and deferred income | 66,020 | 51,664 |
| | <u>410,290</u> | <u>543,270</u> |

6 Called up share capital

| | 2022 Number | 2021 Number | 2022 £ | 2021 £ |
|---|----------------|----------------|--------------|--------------|
| Ordinary share capital Issued and fully paid | | | | |
| Ordinary shares of £1 each | 2,200 | 2,200 | 2,200 | 2,200 |
| | <u>2,200</u> | <u>2,200</u> | <u>2,200</u> | <u>2,200</u> |

MITCHELL CHARLESWORTH (SERVICES) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2022

7 Audit report information

As the profit and loss account has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006.

The auditor's report was unqualified.

The senior statutory auditor was Lyndsay Nicholson ACA.

The auditor was Riverside Accountancy Lancaster Limited.

8 Operating lease commitments

Lessee

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

| 2022 | 2021 |
|-----------------|-----------------|
| £ | £ |
| 660,399 | 676,969 |
| <u> </u> | <u> </u> |

9 Control

Throughout the year the company was a wholly owned subsidiary of TAARR LLP (formerly Mitchell Charlesworth LLP) which was also considered to be the ultimate controlling party. The company became a wholly owned subsidiary of MC Topco Limited in June 2022, that company also becoming the ultimate controlling party at the same time.

