

Company Registration No. 00889664 (England and Wales)

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

PAGES FOR FILING WITH REGISTRAR

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

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WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Profit/(loss) for the year	149,915	(163,536)
Other comprehensive income		
Revaluation of tangible fixed assets	-	16,763
	<hr/>	<hr/>
Total comprehensive income for the year	149,915	(146,773)
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WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	5	1,948,872		2,413,803	
Investment properties	6	-		145,000	
		<u>1,948,872</u>		<u>2,558,803</u>	
Current assets					
Stocks		74,632		62,238	
Debtors	7	1,614,664		1,265,284	
Cash at bank and in hand		340,054		263,247	
		<u>2,029,350</u>		<u>1,590,769</u>	
Creditors: amounts falling due within one year	8	<u>(1,156,846)</u>		<u>(1,379,742)</u>	
Net current assets		872,504		211,027	
Total assets less current liabilities		<u>2,821,376</u>		<u>2,769,830</u>	
Creditors: amounts falling due after more than one year	9	-		(76,724)	
Provisions for liabilities		<u>(117,954)</u>		<u>(139,599)</u>	
Net assets		<u>2,703,422</u>		<u>2,553,507</u>	
Capital and reserves					
Called up share capital	11	872		872	
Capital redemption reserve		128		128	
Profit and loss reserves		2,702,422		2,552,507	
Total equity		<u>2,703,422</u>		<u>2,553,507</u>	

The directors of the company have elected not to include a copy of the income statement 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 16 July 2021 and are signed on its behalf by:

Mr C D Carefoot
Director

Mr C W C Carefoot
Director

Company Registration No. 00889664

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Walter Carefoot & Sons, (Transport) Limited is a private company limited by shares incorporated in England and Wales. The registered office is Blackpool Road, Longridge, Preston, Lancashire, PR3 3AL.

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, modified to include the revaluation of some certain fixed assets and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A;
- Section 26 'Share based Payment': Share based payment arrangements required under FRS 102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Carefoot plc. These consolidated financial statements are available from its registered office, Blackpool Road, Longridge, Preston. PR3 3AL.

1.2 Turnover

Turnover represents amounts receivable for bulk tipping fleet and road haulage net of VAT.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred in respect of the transaction can be measured reliably

1.3 Intangible fixed assets - goodwill

Goodwill is written off in equal instalments over its expected useful life.

1.4 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.

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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% on reducing balance
Fixtures and fittings	25% reducing balance
Motor vehicles	10/20% on reducing balance and straight line over 3 years

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 credited or charged to profit or loss.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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.

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.8 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.

1.9 Financial instruments

The company 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 company's statement of financial position 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.

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 company after deducting all of its liabilities.

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.

1.10 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.

1.11 Taxation

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

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement 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.

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 income statement, 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.

1.12 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.

1.13 Retirement benefits

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

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the statement of financial position as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.15 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.

1.16 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 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.

3 Employees

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

	2021 Number	2020 Number
Total	35	42

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Intangible fixed assets

	Goodwill
	£
Cost	
At 1 April 2020 and 31 March 2021	80,000
Amortisation and impairment	
At 1 April 2020 and 31 March 2021	80,000
Carrying amount	
At 31 March 2021	-
At 31 March 2020	-

5 Tangible fixed assets

	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£
Cost or valuation				
At 1 April 2020	226,477	3,140	4,018,276	4,247,893
Disposals	-	-	(161,450)	(161,450)
At 31 March 2021	226,477	3,140	3,856,826	4,086,443
Depreciation and impairment				
At 1 April 2020	74,131	3,140	1,756,819	1,834,090
Depreciation charged in the year	15,235	-	376,788	392,023
Eliminated in respect of disposals	-	-	(88,542)	(88,542)
At 31 March 2021	89,366	3,140	2,045,065	2,137,571
Carrying amount				
At 31 March 2021	137,111	-	1,811,761	1,948,872
At 31 March 2020	152,346	-	2,261,457	2,413,803

Plant and machinery with a carrying amount of £152,346 was revalued at 31 March 2020 by the directors on a fair value basis.

If revalued assets were stated on an historical cost basis rather than fair value basis, the total amounts included would have been as follows:

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Tangible fixed assets		(Continued)	
	2021	2020	
	£	£	
Cost	209,714	209,714	
Accumulated depreciation	(87,690)	74,131	
	<u>122,024</u>	<u>283,845</u>	
Carrying value	<u><u>122,024</u></u>	<u><u>283,845</u></u>	
6 Investment property		2021	
		£	
Fair value			
At 1 April 2020		145,000	
Disposals		(145,000)	
		<u>-</u>	
At 31 March 2021		<u><u>-</u></u>	
The investment property was transferred to a group company during the year.			
7 Debtors		2021	2020
		£	£
Amounts falling due within one year:			
Trade debtors	1,254,565	1,156,620	
Amounts owed by group undertakings	321,616	-	
Other debtors	38,483	108,664	
	<u>1,614,664</u>	<u>1,265,284</u>	
	<u><u>1,614,664</u></u>	<u><u>1,265,284</u></u>	
8 Creditors: amounts falling due within one year		2021	2020
		£	£
Obligations under finance leases	10	-	459,527
Trade creditors		647,361	349,075
Amounts owed to group undertakings		-	191,208
Corporation tax		56,810	35,807
Other taxation and social security		314,589	226,163
Other creditors		102,697	103,265
Accruals and deferred income		35,389	14,697
		<u>1,156,846</u>	<u>1,379,742</u>
		<u><u>1,156,846</u></u>	<u><u>1,379,742</u></u>

WALTER CAREFOOT & SONS, (TRANSPORT) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Creditors: amounts falling due after more than one year	2021	2020
	£	£
Other creditors	-	76,724
	<u> </u>	<u> </u>
10 Finance lease obligations	2021	2020
	£	£
Future minimum lease payments due under finance leases:		
Within one year	-	459,527
In two to five years	-	76,724
	<u> </u>	<u> </u>
	-	536,251
	<u> </u>	<u> </u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

11 Called up share capital	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital Issued and fully paid				
Ordinary of £1 each	872	872	872	872
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

12 Audit report information

As the income statement 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 David Evans BA FCA.
The auditor was Bishops.

13 Parent company

Walter Carefoot & Sons (Transport) Limited is a wholly owned subsidiary of Carefoot plc, the ultimate parent undertaking, a company incorporated in England and Wales. The results of Walter Carefoot & Sons (Transport) Limited are included in the consolidated financial statements of Carefoot plc which are available from the registered office, Blackpool Road, Longridge, Preston. PR3 3AL.

The ultimate controlling party of this company are Mr C D Carefoot and Mr C W C Carefoot and their close families, they exercise control by virtue of their holding of the issued share capital of the ultimate parent company, Carefoot plc.

