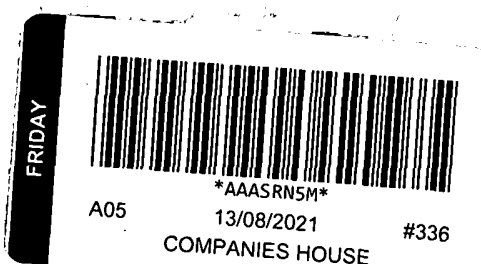

FRICOR LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



FRICOR LIMITED

COMPANY INFORMATION

Directors	Mr A W S Binks Mr W A Binks Mr T Binks
Company secretary	Mr A W S Binks
Registered number	03162424
Registered office	Leighton Lane Evercreech Shepton Mallet Somerset BA4 6LQ
Independent auditor	Nexia Smith & Williamson Audit Limited Statutory Auditor & Chartered Accountants Portwall Place Portwall Lane Bristol BS1 6NA

FRICOR LIMITED

CONTENTS

	Page
Group Strategic Report	1
Directors' Report	2 - 3
Independent Auditor's Report	4 - 7
Consolidated Statement of Comprehensive Income	8
Consolidated Balance Sheet	9
Company Balance Sheet	10
Consolidated Statement of Changes in Equity	11 - 12
Company Statement of Changes in Equity	13 - 14
Consolidated Statement of Cash Flows	15 - 16
Analysis of Net Debt	17
Notes to the Financial Statements	18 - 35

FRICOR LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their Strategic Report for the year ended 31 December 2020.

Business review

Management have continued to focus on fleet utilisation efficiency, and reducing high fixed costs in the transport division.

Management are optimistic that the continued focus on utilisation, strengthening key partners, and improving volumes will continue to improve results in 2021. The Covid pandemic provided further opportunities for the group, particularly for the warehouse division with multiple new business enquiries received.

Principal risks and uncertainties

The management of the business and execution of the group's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the company are considered to be high fixed costs, rising costs of labour and associated administration, and volatile energy markets.

To manage these key risks the company has; utilised subcontractors to deal with peak flows; continued to review ways to increase staff retention; employed effective systems to monitor operational efficiency.

Financial key performance indicators

Turnover, gross profit and operating results are considered to be the group's key performance indicators:

Turnover £16,898,104, gross profit £3,429,830 and operating profit £1,582,228.

Brexit impact

The group has undertaken the regulatory and compliance steps necessary to facilitate movement of goods from the EU to the UK, and vice-versa, including customs clearance management systems.

This report was approved by the board on **26 May 2021** and signed on its behalf.



Mr T Binks
Director

FRICOR LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report and the financial statements for the year ended 31 December 2020.

The business review, principal risks and uncertainties, and financial key performance indicators are included in the Group Strategic Report on page 1.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE GROUP STRATEGIC REPORT, THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 they have elected to prepare the group and parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

Fricor Limited is the holding company of a group which is engaged in the haulage, handling and storage of chilled and frozen goods.

Results and dividends

The profit for the year, after taxation, amounted to £1,203,533 (2019 - £630,838).

The directors have not recommended a dividend.

FRICOR LIMITED

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

Directors

The directors who served during the year were:

Mr A W S Binks
Mr W A Binks
Mr T Binks

Financial instruments

The Group uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various items such as trade debtors, creditors and financial lease arrangements that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The liquidity risk, interest risk, credit and currency risks associated with these financial instruments are managed and monitored by the directors.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

This report was approved by the board on **26 May 2021** and signed on its behalf.



Mr T Binks
Director

FRICOR LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRICOR LIMITED

Opinion

We have audited the financial statements of Fricor Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and the 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, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 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.

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report and financial statements. 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a

FRICOR LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRICOR LIMITED

material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 or 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 set out on page 2, 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 group's and 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

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:

FRICOR LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRICOR LIMITED

We obtained a general understanding of the group's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations. We also drew on our existing understanding of the group's industry and regulation.

We understand that the group complies with requirements of the framework through:

- Outsourcing tax compliance to external experts;
- Making note of relevant updates from external experts, updating internal procedures and controls as necessary as legal and regulatory requirements change;
- The Directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention and are considered; and
- Obtaining and maintaining accreditation with respect to the storage and transport of perishable food items from a number of independent regulatory and accreditation bodies.

In the context of the audit, we considered those law and regulations: which determine the form and content of the financial statements, which are central to the group's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the group:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Global Standard for Food Safety as monitored by the British Retail Consortium in respect of principle activity of the company.
- The Environmental Management System Standard BS EN ISO 14001:2015 as accredited by International Accreditation Board;
- Organic food storage and transport requirements as accredited by the Soil Association.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Obtained and inspected reports provided by third parties with respect to accreditation audits, including associated accreditation certificates; and
- Obtaining written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries and incorrect recognition of revenue. These areas were communicated to the other members of the engagement team who were not present at the discussion.

The procedures we carried out to gain evidence in the above areas included;

- Testing a sample of revenue transactions to underlying documentation; and
- Testing of a sample of manual journal entries, selected through applying specific risk assessments based on the company's processes and controls surrounding manual journal entries

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

FRICOR LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FRICOR LIMITED

Nexia Smith & Williamson

Carl Deane
Senior Statutory Auditor, for and on behalf of

Nexia Smith & Williamson

Statutory Auditor
Chartered Accountants

Portwall Place
Portwall Lane
Bristol
BS1 6NA

Date: 27 May 2021

FRICOR LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	16,898,104	17,044,077
Cost of sales		(13,468,274)	(14,279,348)
Gross profit		3,429,830	2,764,729
Administrative expenses		(1,918,859)	(1,920,445)
Other operating income		71,257	-
Operating profit	6	1,582,228	844,284
Interest receivable and similar income	10	371	1,341
Interest payable and expenses	11	(39,602)	(69,678)
Profit before taxation		1,542,997	775,947
Tax on profit	12	(339,464)	(145,109)
Profit for the financial year		1,203,533	630,838
Movement of deferred tax		54,006	-
Other comprehensive income for the year		54,006	-
Total comprehensive income for the year		1,257,539	630,838
Profit for the year attributable to:			
Owners of the parent Company		1,203,533	630,838
		1,203,533	630,838

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED
REGISTERED NUMBER: 03162424

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	14	6,508,396	5,350,271
		<u>6,508,396</u>	<u>5,350,271</u>
Current assets			
Stocks	16	35,518	42,906
Debtors: amounts falling due within one year	17	2,915,702	3,013,422
Cash at bank and in hand	18	1,698,203	772,623
		<u>4,649,423</u>	<u>3,828,951</u>
Creditors: amounts falling due within one year	19	(3,754,474)	(3,579,673)
Net current assets		<u>894,949</u>	<u>249,278</u>
Total assets less current liabilities		<u>7,403,345</u>	<u>5,599,549</u>
Creditors: amounts falling due after more than one year	20	(1,196,454)	(727,830)
Provisions for liabilities			
Deferred taxation	24	(150,771)	(73,138)
Net assets		<u>6,056,120</u>	<u>4,798,581</u>
Capital and reserves			
Called up share capital	25	1,085,000	1,085,000
Revaluation reserve	26	221,829	167,823
Profit and loss account	26	4,749,291	3,545,758
		<u>6,056,120</u>	<u>4,798,581</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

26 May 2021.



Mr T Binks
Director

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED
REGISTERED NUMBER: 03162424

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	15	1,489,880	1,489,880
		<u>1,489,880</u>	<u>1,489,880</u>
Current assets			
Debtors: amounts falling due within one year	17	200,000	151,520
Cash at bank and in hand	18	110,566	61,059
		<u>310,566</u>	<u>212,579</u>
Creditors: amounts falling due within one year	19	(159,488)	(240,870)
Net current assets/(liabilities)		<u>151,078</u>	<u>(28,291)</u>
Total assets less current liabilities		<u>1,640,958</u>	<u>1,461,589</u>
Net assets		<u><u>1,640,958</u></u>	<u><u>1,461,589</u></u>
Capital and reserves			
Called up share capital	25	1,085,000	1,085,000
Profit and loss account	26	555,958	376,589
		<u>1,640,958</u>	<u>1,461,589</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
26 May 2021.



Mr T Binks
Director

The notes on pages 18 to 35 form part of these financial statements.

The company profit for the year amounted to £138,170 (2018 - £87,223).

FRICOR LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2020	1,085,000	167,823	3,545,758	4,798,581
Comprehensive income for the year				
Profit for the year	-	-	1,203,533	1,203,533
Total comprehensive income for the year	-	-	1,203,533	1,203,533
Deferred tax	-	54,006	-	54,006
At 31 December 2020	1,085,000	221,829	4,749,291	6,056,120

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Revaluation reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 January 2019	1,085,000	166,455	2,959,920	4,211,375
Comprehensive income for the year				
Profit for the year	-	-	630,838	630,838
Total comprehensive income for the year	-	-	630,838	630,838
Dividends: Equity capital	-	-	(45,000)	(45,000)
Deferred tax	-	1,368	-	1,368
At 31 December 2019	1,085,000	167,823	3,545,758	4,798,581

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020	1,085,000	376,589	1,461,589
Comprehensive income for the year			
Profit for the year	-	179,369	179,369
At 31 December 2020	1,085,000	555,958	1,640,958

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1,085,000	238,419	1,323,419
Comprehensive income for the year			
Profit for the year	-	138,170	138,170
At 31 December 2019	1,085,000	376,589	1,461,589

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	1,203,533	630,838
Adjustments for:		
Depreciation of tangible assets	940,013	865,830
Profit on disposal of tangible assets	(8,000)	(27,000)
Interest paid	39,602	69,677
Interest received	(371)	(1,341)
Taxation charge	339,464	145,109
Decrease in stocks	7,389	15,365
Decrease/(increase) in debtors	97,720	(136,699)
(Decrease) in creditors	(46,420)	(461,400)
Decrease in amounts owed to groups	181,789	(77,953)
Corporation tax (paid)	(189,206)	(187,582)
Net cash generated from operating activities	2,565,513	834,844
Cash flows from investing activities		
Purchase of tangible fixed assets	(1,319,512)	(207,323)
Sale of tangible fixed assets	8,000	27,000
Interest received	371	1,341
HP interest paid	(36,257)	(42,231)
Net cash from investing activities	(1,347,398)	(221,213)
Cash flows from financing activities		
New secured loans	480,000	-
Repayment of loans	-	(22,545)
Repayment of finance leases	(769,190)	(408,533)
Dividends paid	-	(45,000)
Interest paid	(3,345)	(27,446)
Net cash used in financing activities	(292,535)	(503,524)

FRICOR LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Net increase in cash and cash equivalents	925,580	110,107
Cash and cash equivalents at beginning of year	772,623	662,516
Cash and cash equivalents at the end of year	1,698,203	772,623
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,698,203	772,623
	1,698,203	772,623

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	At 1 January 2020 £	Cash flows £	New finance leases £	At 31 December 2020 £
Cash at bank and in hand	772,623	925,580	-	1,698,203
Debt due after 1 year	-	(480,000)	-	(480,000)
Finance leases	(1,439,395)	769,190	(778,625)	(1,448,830)
	<u>(666,772)</u>	<u>1,214,770</u>	<u>(778,625)</u>	<u>(230,627)</u>

The notes on pages 18 to 35 form part of these financial statements.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

Fricor Limited (the "Company") is a private company incorporated, domiciled and registered in England in the UK. The registered number is 03162424 and the registered address is Leighton Lane, Evercreech, Shepton Mallet, Somerset, BA4 6HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

Management have reviewed the Company's financial position, along with forecasts. Management have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, given continued profitability and positive cash flows.

The Covid pandemic provided further opportunities for the Company, particularly for the warehouse division with multiple new business enquiries received. The Company continues to adopt the going concern basis in preparing its financial statements.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Transport turnover is recognised on delivery of goods transported and warehouse turnover is recognised over the relevant period of time.

2.5 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	-	4% and 15% straight line
Plant and machinery	-	15% straight line
Motor vehicles	-	15% to 25% straight line
Fixtures and fittings	-	15% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Stocks

Stock relates to fuel and is held at cost.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.11 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.14 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

2.15 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.16 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.19 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.20 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Key judgements made by the directors in the preparation of these financial statements (and related areas of estimation uncertainty) are doubtful debt provision and depreciation. The directors review the estimates and underlying assumptions each period to ensure they remain appropriate.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Turnover

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	13,953,088	13,866,091
Rest of Europe	2,831,937	2,968,247
Rest of the world	113,079	209,739
	<u>16,898,104</u>	<u>17,044,077</u>

5. Other operating income

	2020 £	2019 £
Government grants receivable	71,257	-
	<u>71,257</u>	<u>-</u>

6. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	940,012	865,829
Exchange differences	4,898	8,868
Other operating lease rentals	734,673	705,379
Profit on sale of fixed assets	(8,000)	(27,000)

FRICOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the parent company's annual financial statements	<u>5,700</u>	<u>5,700</u>
Fees payable to the Group's auditor and its associates in respect of:		
Audit of financial statements of subsidiaries of the company	12,250	12,250
Other services relating to taxation	4,200	4,200
	<u>16,450</u>	<u>16,450</u>

8. Employee numbers and costs

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	4,515,432	4,141,405	-	-
Social security costs	480,733	430,724	-	-
Cost of defined contribution scheme	103,931	132,200	-	-
	<u>5,100,096</u>	<u>4,704,329</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Administration	39	36
Warehouse	36	33
Transport	65	62
	<u>140</u>	<u>131</u>

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Directors' remuneration

Directors' emoluments amounted to £nil (2019 - £21,670) during the year. Company contributions to defined contribution pension schemes amounted to £nil (2019 - £46,815).

During the year retirement benefits were accruing to no directors (2019 - 1) in respect of defined contribution pension schemes.

10. Interest receivable and similar income

	2020 £	2019 £
Other interest receivable	371	1,341
	<u>371</u>	<u>1,341</u>

11. Interest payable and expenses

	2020 £	2019 £
Other loan interest payable	2,332	18,266
Bank interest payable	1,013	9,181
Finance leases and hire purchase contracts	36,257	42,231
	<u>39,602</u>	<u>69,678</u>

Other loan interest payable includes interest payable of £nil (2019 - £8,840) to related parties. Refer to note 28.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	194,816	29,375
Adjustments in respect of previous periods	13,009	(39,008)
	<u>207,825</u>	<u>(9,633)</u>
Total current tax	<u>207,825</u>	<u>(9,633)</u>
Deferred tax		
Origination and reversal of timing differences	129,388	125,853
Changes to tax rates	2,251	-
Adjustment in respect of prior periods	-	28,889
Total deferred tax	<u>131,639</u>	<u>154,742</u>
Taxation on profit on ordinary activities	<u>339,464</u>	<u>145,109</u>

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2019 - lower than) the standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	1,542,997	775,948
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2019 - 19.00%)	293,169	147,430
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	4,769	3,772
Fixed asset differences	45,084	45,084
Adjustments to tax charge in respect of prior periods	13,009	(39,008)
Adjustments to tax charge in respect of previous periods - deferred tax	-	28,889
Adjustments arising on consolidation	(18,818)	(26,252)
Adjust deferred tax to average rate	2,251	(14,806)
Total tax charge for the year	339,464	145,109

Factors that may affect future tax charges

Following budget announcements, the main rate of corporation tax will remain at 19% for the financial year beginning 1 April 2022. This will rise to 25% for the financial year beginning 1 April 2023.

13. Dividends

	2020 £	2019 £
Dividends on ordinary shares	-	45,000
	-	45,000

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation					
At 1 January 2020	7,699,273	2,406,498	5,792,924	2,347,591	18,246,286
Additions	1,103,529	-	861,000	133,608	2,098,137
Disposals	-	-	(132,472)	-	(132,472)
At 31 December 2020	8,802,802	2,406,498	6,521,452	2,481,199	20,211,951
Depreciation					
At 1 January 2020	4,732,785	2,258,300	3,785,395	2,119,535	12,896,015
Charge for the year on owned assets	225,978	32,611	621,093	60,330	940,012
Disposals	-	-	(132,472)	-	(132,472)
At 31 December 2020	4,958,763	2,290,911	4,274,016	2,179,865	13,703,555
Net book value					
At 31 December 2020	3,844,039	115,587	2,247,436	301,334	6,508,396
At 31 December 2019	2,966,488	148,198	2,007,529	228,056	5,350,271

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

14. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2020 £	2019 £
Motor vehicles	2,153,348	1,966,106
Fixtures and fittings	64,149	-
	<u>2,217,497</u>	<u>1,966,106</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2020 £	2019 £
Group		
Cost	8,587,761	7,484,232
Accumulated depreciation	(4,958,763)	(4,732,785)
Net book value	<u>3,628,998</u>	<u>2,751,447</u>

FRICOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	1,489,880
At 31 December 2020	<u>1,489,880</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Peter Green Haulage Limited	Leighton Lane, Evercreech, Shepton Mallet, BA4 6HD	Ordinary	100%
Peter Green Chilled Limited	Leighton Lane, Evercreech, Shepton Mallet, BA4 6HD	Ordinary	100%
Spedex Limited	Leighton Lane, Evercreech, Shepton Mallet, BA4 6HD	Ordinary	100%
			%

16. Stocks

	Group 2020 £	<i>Group 2019 £</i>
Raw materials and consumables	35,518	42,906
	<u>35,518</u>	<u>42,906</u>

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

17. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	2,667,268	2,787,590	200,000	151,520
Prepayments and accrued income	248,434	225,832	-	-
	<u>2,915,702</u>	<u>3,013,422</u>	<u>200,000</u>	<u>151,520</u>

18. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	1,698,203	772,623	110,566	61,059
	<u>1,698,203</u>	<u>772,623</u>	<u>110,566</u>	<u>61,059</u>

19. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	1,658,067	1,438,632	-	-
Amounts owed to group undertakings	205,573	23,784	-	-
Corporation tax	18,618	-	18,618	-
Other taxation and social security	339,657	307,080	-	-
Obligations under finance lease and hire purchase contracts	732,376	711,565	-	-
Other creditors	20,943	79,357	-	-
Accruals and deferred income	779,240	1,019,255	140,870	240,870
	<u>3,754,474</u>	<u>3,579,673</u>	<u>159,488</u>	<u>240,870</u>

The bank loans and overdrafts were secured by a fixed and floating charge over the companies assets. Amounts due under finance leases are secured on the assets to which they relate.

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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

	Group 2020 £	Group 2019 £
Bank loans	480,000	-
Net obligations under finance leases and hire purchase contracts	716,454	727,830
	<u>1,196,454</u>	<u>727,830</u>

21. Loans

Analysis of the maturity of loans is given below:

	Group 2020 £	Group 2019 £
Amounts falling due 2-5 years		
Bank loans	480,000	-
Total loans outstanding	<u>480,000</u>	<u>-</u>

22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2020 £	Group 2019 £
Within one year	732,376	711,565
Between 1-5 years	716,454	727,830
	<u>1,448,830</u>	<u>1,439,395</u>

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

23. Financial instruments

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Financial assets				
Financial assets measured at fair value through profit or loss	1,698,203	772,623	110,566	61,059
Financial assets that are debt instruments measured at amortised cost	2,674,686	2,787,590	200,000	151,520
	<u>4,372,889</u>	<u>3,560,213</u>	<u>310,566</u>	<u>212,579</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(4,410,864)	(4,000,423)	(140,870)	(240,870)

Financial assets measured at fair value through profit or loss comprise cash (see note 17).

Financial assets that are debt instruments measured at amortised cost comprise trade and other debtors (see note 16).

Financial liabilities measured at amortised cost comprise bank loans, trade creditors, amounts owed to related undertakings, obligations under finance leases, other creditors and accruals (see note 18).

24. Deferred taxation

Group

	2020 £
At beginning of year	(73,138)
Charged to profit or loss	(131,639)
Charged to other comprehensive income	54,006
Utilised in year	-
At end of year	<u>(150,771)</u>

FRICOR LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. Deferred taxation (continued)

	Group 2020 £	<i>Group 2019 £</i>
Fixed asset timing differences	(211,487)	(76,215)
Capital gains	-	(54,006)
Short term timing differences	60,716	57,083
	<u>(150,771)</u>	<u>(73,138)</u>

25. Share capital

	2020 £	<i>2019 £</i>
Allotted, called up and fully paid		
1,085,000 (2019 - 1,085,000) Ordinary Shares shares of £1.00 each	<u>1,085,000</u>	<u>1,085,000</u>

26. Reserves

Revaluation reserve

The freehold property had been valued on the revaluation basis historically. The last valuation was in 1999 and this reserve represents the uplift on the original cost of acquisition.

Profit and loss account

Included all current and prior period retained profit and losses.

27. Commitments under operating leases

At 31 December 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	670,192	776,408
Later than 1 year and not later than 5 years	871,030	678,294
	<u>1,541,222</u>	<u>1,454,702</u>

FRICOR LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

28. Related party transactions

The group has taken the available exemption under FRS 102 section 33.11 and has not disclosed transactions with group undertakings.

The group has incurred management charges of £534,000 (2019 - £428,000) from Traminco Limited, a company related by common control. As at 31 December 2020 £nil (2019 - £nil) was owed by the group. The group owed a further £nil (2019 - £nil) to Traminco at the year end. Interest of £nil (2019 - £8,840) has been charged in the year.

The group has incurred costs on the recharge of freight costs of £62,013 (2019 - £68,623) from Mann Lines BV, a company related by virtue of common control. As at 31 December 2020 £7,941 (2019 - £5,255) was owed by the group. The group made sales of £428 (2019 - £473) to Mann Lines BV and £428 (2019 - £nil) was outstanding at the year end.

The group made sales of £28 (2019 - £990) to Mann & Son (London) Limited, a company related by virtue of common control. As at 31 December 2020 £nil (2019 - £990) was owed to the group.

The group was invoiced charges of £86,589 (2019 - £84,996) by BNX South West Limited during the year, a company related by common directorship. As at 31 December 2020 £nil (2019 - £nil) was owed by the group.

The group paid dividends of £nil (2019 - £45,000) to BNX Holdings Limited, the ultimate parent, during the year.

29. Controlling party

The ultimate parent undertaking of the company is that of BNX Holdings Limited which is registered in Jersey. The ultimate controlling related party is considered to be Mr A W S Binks as a result of his shareholding and position on the Board of Directors of the ultimate holding company.