

Ralph Martindale (England) Limited
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended
31st December 2020



Company Registration No. 3398001

Ralph Martindale (England) Limited

DIRECTORS AND ADVISORS

DIRECTORS

Shaun Fox
Nigel Ensor
Abdul Beydoun
Yohannes Mekbebe
Alexandre Karkour

SECRETARY

Shaun Fox

COMPANY NUMBER

3398001

REGISTERED OFFICE

Crocodile House
Strawberry Lane
Willenhall
West Midlands
WV13 3RS

AUDITORS

RSM UK Audit LLP
Chartered Accountants
St Philips Point
Temple Row
Birmingham
B2 5AF

Ralph Martindale (England) Limited

DIRECTORS' REPORT

The directors submit their report and the financial statements of Ralph Martindale (England) Limited for the year ended 31st December 2020.

PRINCIPAL ACTIVITIES

The principal activities of the company during the year were the distribution of steel coil and the sale of agricultural tools.

REVIEW OF THE BUSINESS

The company reported turnover of £3,785,980 for the year ended 31st December 2020, being an increase of 5% compared to the turnover of £3,605,597 reported for the prior year. The company turnover continues to be primarily derived from sales to fellow group companies, and these sales accounted for 97% of the total turnover during 2020 (2019: 98%).

RESULTS FOR THE YEAR AND DIVIDENDS

The profit for the year before taxation amounted to £480,467 (2019: £250,881). The profit for the year after taxation amounted to £333,953 (2019: £139,495). No dividend was paid during the year (2019: £Nil). The directors do not recommend the payment of a final dividend (2019: £Nil).

DIRECTORS

The directors who served during the year were as follows:

Shaun Fox
Nigel Ensor
Abdul Beydoun (appointed 29th May 2020)
Yohannes Mekbebe (appointed 29th May 2020)
Alexandre Karkour (appointed 29th May 2020)

Qualifying third party indemnity provision is in place for the benefit of all directors of the company.

AUDITORS

The company has elected to dispense with the annual appointment of auditors.

RSM UK Audit LLP has indicated its willingness to continue in office.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Ralph Martindale (England) Limited

DIRECTORS' REPORT (continued)

SMALL COMPANIES EXEMPTION

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Shaun Fox
Director

18th May 2021

Ralph Martindale (England) Limited

DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RALPH MARTINDALE (ENGLAND) LIMITED

Opinion

We have audited the financial statements of Ralph Martindale (England) Limited (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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, the financial statements:

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

have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RALPH MARTINDALE (ENGLAND) LIMITED (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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.

The extent to which the audit was considered capable of detecting irregularities, including fraud. Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RALPH MARTINDALE (ENGLAND) LIMITED (CONTINUED)

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and Companies Act 2006. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statement disclosures and inquiry of management and those charged with governance whether the company is in compliance with these laws and regulations.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing the appropriateness of journal entries and other adjustments, assessing whether the judgements made in making accounting estimates are indicative of a potential bias, and evaluating the business rationale of any significant, unusual transactions that are entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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.

RSM UK Audit LLP

Richard Eccles FCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
St Philips Point
Temple Row
Birmingham
West Midlands
B2 5AF

Date: 19 May 2021

Ralph Martindale (England) Limited
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31st December 2020

	<i>Notes</i>	2020 £	2019 £
TURNOVER	1	3,785,980	3,605,597
Cost of sales		(2,767,322)	(2,818,954)
		<hr/>	<hr/>
GROSS PROFIT		1,018,658	786,643
Distribution costs		(83,943)	(64,286)
Administrative expenses		(454,248)	(471,476)
		<hr/>	<hr/>
OPERATING PROFIT		480,467	250,881
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2	480,467	250,881
Taxation	4	(146,514)	(111,386)
		<hr/>	<hr/>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION AND PROFIT FOR THE FINANCIAL YEAR		333,953	139,495
		<hr/>	<hr/>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		333,953	139,495
		<hr/>	<hr/>

All activities relate to continuing operations.

Ralph Martindale (England) Limited

STATEMENT OF FINANCIAL POSITION

31st December 2020

Company Registration No. 3398001

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	5	232	310
CURRENT ASSETS			
Stocks	6	43,178	25,247
Debtors due within one year	7	664,482	533,813
Debtors due after more than one year	8	1,244,018	2,164,152
Cash at bank and in hand		696,765	527,161
		2,648,443	3,250,373
CREDITORS: Amounts falling due within one year	9	(1,512,346)	(2,448,307)
NET CURRENT ASSETS		1,136,097	802,066
TOTAL ASSETS LESS CURRENT LIABILITIES		1,136,329	802,376
NET ASSETS		1,136,329	802,376
CAPITAL AND RESERVES			
Called up share capital	11	250,000	250,000
Profit and loss account		886,329	552,376
SHAREHOLDER'S FUNDS		1,136,329	802,376

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

The financial statements on pages 8 to 24 were approved by the board of directors and authorised for issue on 18th May 2021, and signed on its behalf by:



Shaun Fox
Director

Ralph Martindale (England) Limited
STATEMENT OF CHANGES IN EQUITY
31st December 2020

	Share Capital £	Profit and Loss Account £	Total £
Balance at 1st January 2019	250,000	412,881	662,881
Profit and other comprehensive income for the year	-	139,495	139,495
	<hr/>	<hr/>	<hr/>
Balance at 31st December 2019	250,000	552,376	802,376
	<hr/>	<hr/>	<hr/>
Year ended 31st December 2020			
Profit and other comprehensive income for the year	-	333,953	333,953
	<hr/>	<hr/>	<hr/>
Balance at 31st December 2020	250,000	886,329	1,136,329
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Ralph Martindale (England) Limited

ACCOUNTING POLICIES

31st December 2020

GENERAL INFORMATION

Ralph Martindale (England) Limited ("the Company") is a limited company domiciled and incorporated in England.

The address of the company's registered office and principal place of business is Crocodile House, Strawberry Lane, Willenhall, West Midlands, WV13 3RS.

The Company's principal activities are the distribution of steel coil and the sale of agricultural tools.

BASIS OF ACCOUNTING

The 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, and under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

REDUCED DISCLOSURE

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements;

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares
- Section 7 'Statement of Cash Flows' – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 'Related Party Disclosures' – Compensation for key management personnel

The financial statements of the Company are consolidated in the financial statements of Ralph Martindale and Company Limited. The consolidated financial statements of Ralph Martindale and Company Limited are available from the registered office.

GOING CONCERN

The Directors consider the state of the Company's affairs to be satisfactory. The Company held a positive cash balance as at 31st December 2020 and has been profitable during 2021 to date and has benefited from further positive cash flows. Based on forecasts that have been reviewed by the Directors, the Company is expected to remain profitable and generate positive cash flows for a period of at least twelve months from the date of approval of the financial statements. These forecasts have been considered in the light of the COVID-19 pandemic, the impact of which on the Company is not expected to be significant. As shown in note 9 to these financial statements, the Company has a balance of £1,252,525 due to its parent company which is due within one year. However, the Directors have received a letter of support from the parent company confirming that the amount will not be called for repayment for a period of at least twelve months from the date of approval of these financial statements.

Taking into account these forecasts, the current strong cash position, and the letter of support referred to above, the Directors are satisfied that there are no material uncertainties over the ability of the Company to continue to trade for a period of at least twelve months from the approval of these financial statements. As such, the financial statements have been prepared on the going concern basis.

TANGIBLE FIXED ASSETS

Fixed assets are stated at cost net of depreciation and impairment losses. Depreciation is being charged from the year in which the asset is first available for use so as to reduce each asset's cost less any residual value over its anticipated useful economic life. Residual value is calculated on prices prevailing at the reporting date, after estimated costs of disposal, for the asset as if it were at the age and in the condition expected at the end of its useful life.

Ralph Martindale (England) Limited

ACCOUNTING POLICIES (continued)

31st December 2020

TANGIBLE FIXED ASSETS (continued)

Included within plant and machinery, the following rates of depreciation have been used:

Plant and equipment	25% reducing balance
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Fixed assets are reviewed for impairment at each reporting date if events or changes in circumstances indicate that the carrying amount may not be recoverable.

STOCKS AND WORK IN PROGRESS

Stocks are valued at the lower of cost and estimated selling price less costs to complete and sell. Cost of finished goods includes overheads appropriate to the stage of manufacture. Provision is made for obsolete and slow moving items.

At each reporting date, the Company assesses whether stocks are impaired or if an impairment loss recognised in prior periods has reversed. Any excess of the carrying amount of stock over its estimated selling price less costs to complete and sell, is recognised as an impairment loss in profit or loss.

TAXATION

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current tax is based on taxable profit for the year. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is not discounted.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Current and deferred tax is charged or credited in profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

FOREIGN CURRENCIES

The financial statements are presented in sterling, which is also the functional currency of the company.

Transactions in foreign currencies are recorded at the rate ruling at the date of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the closing rate of exchange. Differences arising due to exchange fluctuations have been reflected in the statement of comprehensive income.

Ralph Martindale (England) Limited

ACCOUNTING POLICIES (continued)

31st December 2020

RETIREMENT BENEFITS

The Company is a member of a group retirement benefit plan. The net defined benefit cost is recognised by the sponsoring entity as there is no contractual agreement or stated policy for charging the net defined benefit cost to individual entities that participate in the group plan.

TURNOVER

Turnover represents the invoiced value, net of Value Added Tax, of goods sold and services provided to customers. Turnover is recognised on despatch of goods. It is recognised at the fair value of the consideration received or receivable taking into account any discounts or rebates.

OPERATING LEASES

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

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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets

Trade debtors

Trade debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price. Trade debtors are subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

Financial liabilities and equity

Financial instruments are classified as liabilities and equity instruments 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.

Equity instruments

Financial instruments classified as equity instruments are recorded at the fair value of the cash or other resources received or receivable, net of direct costs of issuing the equity instruments.

Own shares

The fair value of consideration given for shares repurchased by the Company is deducted from equity.

Ralph Martindale (England) Limited

ACCOUNTING POLICIES (continued)

31st December 2020

Trade creditors

Trade creditors payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

Borrowings

Borrowings are initially recognised at the transaction price, including transaction costs, and subsequently measured at amortised cost using the effective interest method. Interest expense is recognised on the basis of the effective interest method and is included in interest payable and other similar charges. Commitments to receive a loan are measured at cost less impairment.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flows expire or are settled, or substantially all the risks and rewards of ownership are transferred to another party, 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. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In preparing these financial statements, the directors have had to make judgements, estimates and assumptions that effect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historic experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The directors do not consider that any judgements, estimates and assumptions have a significant risk of causing a material adjustment to the financial statements.

Ralph Martindale (England) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

1 TURNOVER AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The company's turnover and profit before taxation were all derived from its principal activity. Sales were made in the following geographical markets:

	2020 £	2019 £
United Kingdom	92,696	55,998
Other European countries	7,549	16,895
Africa	3,217,896	3,265,028
Asia	467,839	267,286
Rest of the world	-	390
	<u>3,785,980</u>	<u>3,605,597</u>

2 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2020 £	2019 £
Profit on ordinary activities before taxation is stated after (crediting)/charging:		
Depreciation and amounts written off tangible fixed assets:		
Charge for the year		
owned assets	78	105
Auditor's remuneration	6,000	6,000
Exchange (gains)/losses	(7,372)	8,770
Stock - amounts expensed to cost of sales	<u>2,767,322</u>	<u>2,818,954</u>

Non-audit fees are borne by the immediate parent company, Ralph Martindale and Company Limited.

Ralph Martindale (England) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

3	EMPLOYEES	2020 No.	2019 No.
	The average monthly number of persons (including directors) employed by the company during the year was:		
	Administration and sales	3	3
		<u>3</u>	<u>3</u>
		2020 £	2019 £
	Staff costs for above persons:		
	Wages and salaries	63,768	61,527
	Social security costs	5,163	4,940
	Other pension costs	4,982	4,922
		<u>73,913</u>	<u>71,389</u>

All Directors' emoluments and the remuneration of key management personnel were paid by Ralph Martindale and Company Limited during the year. No Directors accrued benefits under defined benefit pension schemes (2019: £Nil).

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

4	TAXATION	2020 £	2019 £
	Current tax charge:		
	Foreign taxation	75,675	82,815
	Group relief	19,609	-
		<hr/>	<hr/>
		95,284	82,815
		<hr/>	<hr/>
	Deferred tax:		
	Origination and reversal of timing differences	51,230	28,571
		<hr/>	<hr/>
	Tax on profit on ordinary activities	146,514	111,386
		<hr/>	<hr/>
	Reconciliation of tax charge to the tax charge if the effective rate is applied to the profit before tax		
	Profit before tax at 19% (2019: 19%)	91,289	47,667
	Foreign tax expense	75,675	82,815
	Other permanent differences	(14,378)	(15,735)
	Other differences	(6,072)	(3,361)
		<hr/>	<hr/>
	Total tax charge	146,514	111,386
		<hr/>	<hr/>

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

5	TANGIBLE FIXED ASSETS	<i>Plant and equipment</i>	
		£	
	Cost		
	1 st January 2020 and 31 st December 2020		4,292
			<u> </u>
	Depreciation		
	1 st January 2020		3,982
	Charged in the year		78
			<u> </u>
	31 st December 2020		4,060
			<u> </u>
	Net book value		
	31 st December 2020		232
			<u> </u>
	31 st December 2019		310
			<u> </u>
6	STOCKS	2020	2019
		£	£
	Raw materials and consumables	6,531	9,088
	Finished goods and goods for resale	36,647	16,159
		<u> </u>	<u> </u>
		43,178	25,247
		<u> </u>	<u> </u>
7	DEBTORS: Amounts falling due within one year	2020	2019
		£	£
	Trade debtors	46,480	3,372
	Amount owed by fellow subsidiary undertakings	610,293	467,451
	Deferred tax (note 10)	-	51,230
	Other debtors	697	325
	Prepayments and accrued income	7,012	11,435
		<u> </u>	<u> </u>
		664,482	533,813
		<u> </u>	<u> </u>
	During the year, no impairment losses were recognised in respect of trade debtors (2019: £Nil).		
8	DEBTORS: Amounts falling due after more than one year	2020	2019
		£	£
	Amount owed by fellow subsidiary undertakings	1,244,018	2,164,152
		<u> </u>	<u> </u>

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

9	CREDITORS: Amounts falling due within one year	2020 £	2019 £
	Trade creditors	233,006	399,451
	Amount owed to parent undertaking	1,252,525	1,864,666
	Amount owed to fellow subsidiary undertakings	3,339	159,009
	Other creditors and accruals	23,476	25,181
		<u>1,512,346</u>	<u>2,448,307</u>

10	DEFERRED TAX		£
	Asset at 1 st January 2020		51,230
	Profit and loss account		(51,230)
			<u>-</u>
	Asset at 31 st December 2020		-
			<u>-</u>

Provision for deferred tax has been made as follows:

	2020 £	2019 £
Deferred tax asset (note 7)	-	51,230
Deferred tax liability	-	-
	<u>-</u>	<u>51,230</u>

The provision for deferred tax at 19% (2019: 17%) comprises:

	2020 £	2019 £
Tax losses	-	51,283
Excess of capital allowances over depreciation	-	(53)
	<u>-</u>	<u>51,230</u>

Ralph Martindale (England) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

11	CALLED UP SHARE CAPITAL (2020 AND 2019)	Number of Shares	£
	Authorised, issued and fully paid Ordinary shares of £1 each	250,000	250,000

Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

12 RETIREMENT BENEFITS

The company is a member of a group defined benefit pension scheme. The assets of the scheme are held in separate trustee administered funds managed by Legal & General Assurance Society Limited. It is not possible to separately identify the company's share of the assets and liabilities within the group pension scheme, and the pensions disclosures in these financial statements are based on that of a defined contribution scheme. The scheme closed to future accrual of benefits on 30th September 2017.

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows:

Latest actuarial valuation	1 st April, 2018
Actuarial method	Defined Accrued Benefit
Discount rate – pre-retirement	4.0%
Discount rate – post-retirement	2.55%
Price inflation – RPI	3.1%
Price inflation – CPI	2.3%
Market value of assets at date of last valuation	£8,635,000
Proportion of members' accrued benefits covered by the actuarial value of the assets	92%
Increases to pensions in payment	
RPI max 5% each year	3.0%
RPI max 2.5% each year	2.2%
Increases to pensions in deferment	
CPI max 5% p.a. average	2.3%
CPI max 2.5% p.a. average	2.3%

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

12 RETIREMENT BENEFITS (continued)

The following information is based upon a full actuarial valuation of the fund at 1st April, 2018 updated to 31st December, 2020 by a qualified independent actuary. The major assumptions used by the actuary were:

	At 31 st December, 2020	At 31 st December, 2019
Rate of increase in pensions in payment – RPI max 5%	2.95%	2.95%
Rate of increase in pensions in payment – RPI max 2.5%	2.10%	2.10%
Discount rate	1.30%	2.00%
Future increase in RPI	3.00%	3.00%
Future increase in CPI	2.20%	2.20%
Expected future lifetime for a member retiring at age 65 at the accounting date		
- male (years)	21.9	22.0
- female (years)	23.8	23.9
Future expectation of life at retirement for a member retiring at age 65 in 20 years' time		
- male (years)	23.2	23.4
- female (years)	25.4	25.4
Main categories of plan assets:		
	2020 £'000	2019 £'000
Legal & General Investment Management – multi asset fund	5,412	5,197
Legal & General Investment Management – pre-retirement inflation linked fund	2,419	2,315
Insured annuities	1,380	1,459
Cash	58	84
Total fair value of assets	<u>9,269</u>	<u>9,055</u>
THE CHANGE IN THE FAIR VALUE OF THE SCHEME'S ASSETS IN THE YEAR IS ANALYSED BELOW:	2020 £'000	2019 £'000
Fair value of assets at 1 st January	9,055	8,398
Interest/expected return on assets	177	226
Gain on asset return	440	804
Employer contributions	94	85
Expenses paid by scheme	(43)	-
Benefits paid	(454)	(458)
Fair value of assets at 31 st December	<u>9,269</u>	<u>9,055</u>

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

12 RETIREMENT BENEFITS (continued)

THE CHANGE IN THE VALUE OF THE SCHEME'S LIABILITIES IN THE YEAR IS ANALYSED BELOW:	2020 £'000	2019 £'000
Value of liabilities at 1 st January	10,153	9,463
Interest cost	199	254
Actuarial loss	814	894
Past service cost	15	-
Benefits paid	(454)	(458)
	<hr/>	<hr/>
Value of liabilities at 31 st December	10,727	10,153
	<hr/>	<hr/>
HISTORY OF SCHEME ASSETS, LIABILITIES AND SCHEME DEFICITS	31 st December, 2020 £'000	31 st December, 2019 £'000
Fair value of assets	9,269	9,055
Value of liabilities	(10,727)	(10,153)
	<hr/>	<hr/>
Deficit in the scheme	(1,458)	(1,098)
	<hr/>	<hr/>
Related deferred tax asset	277	187
	<hr/>	<hr/>
Net pension liability	(1,181)	(911)
	<hr/>	<hr/>
Difference between the expected and actual return on scheme assets	440	804
Experience gains and losses on scheme liabilities	67	23
	<hr/>	<hr/>
AMOUNTS RECOGNISED IN PROFIT OR LOSS IN RESPECT OF THE DEFINED BENEFIT PENSION SCHEME ARE AS FOLLOWS:	Year ended 31 st December, 2020 £'000	Year ended 31 st December, 2019 £'000
Administration costs	(43)	-
Past service cost	(15)	-
Net interest on the defined benefit liability	(22)	(28)
	<hr/>	<hr/>
Net charge	(80)	(28)
	<hr/>	<hr/>

Ralph Martindale (England) Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31st December 2020

12 RETIREMENT BENEFITS (continued)

ANALYSIS OF THE AMOUNT RECOGNISED IN STATEMENT OF OTHER COMPREHENSIVE INCOME	Year ended 31 st December, 2020 £'000	Year ended 31 st December, 2019 £'000
Actuarial return less expected return on pension scheme assets	440	804
Experience gains and losses arising on the scheme liabilities	67	23
Changes in assumptions underlying the present value of the scheme liabilities	(881)	(917)
	<u>(374)</u>	<u>(90)</u>
Deferred tax movement in respect of actuarial loss	93	15
	<u>(281)</u>	<u>(75)</u>

Based on the current schedule of contributions, the contributions expected to be paid to the scheme for the year ended 31st December 2021 is £94,200 (2020: £94,200).

On 26th October 2018, the High Court handed down a judgement involving the Lloyds Banking Group's defined benefit pension schemes. The judgement concluded that the schemes should be amended to equalise pension benefits for men and women in relation to guaranteed minimum pension benefits. A further judgement has been handed down by the High Court on 20 November 2020 which addresses members who transferred out of a scheme. This judgement has confirmed that trustees of defined benefit pension schemes must revisit historic transfers from their schemes and top-up cash equivalent transfer value ('CETV') payments that were not adjusted for the unequal effect of GMP (between 17 May 1990 and 5 April 1997). The issues determined by the judgements arise in relation to many other defined benefit pension schemes. The Group Financial Statements include an approximate total allowance of £119,000, including £15,000 recognised during the year ended 31 December 2020, as a past service cost, in order to equalise these benefits.

An accurate cost will only be known once the Company and the Pension Scheme Trustees agree a methodology to equalise. Any required adjustment to reflect the accurate cost will be recorded in other comprehensive income once the methodology has been agreed. This has not been completed at the date of this report.

Ralph Martindale (England) Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st December 2020

13 CONTINGENT LIABILITIES

There is a composite banking agreement between the company, Ralph Martindale and Company Limited, and Barclays Bank plc.

There is a cross guarantee between the company, Ralph Martindale and Company Limited, and its UK subsidiaries.

At 31st December 2020 the group had a liability of £Nil (2019: £Nil) on its UK Sterling bank balances.

14 RELATED PARTY TRANSACTIONS

The following transactions were carried out with non-wholly owned fellow subsidiary companies of Ralph Martindale and Company Limited on normal commercial terms:

	2020 £	2019 £
(i) Sale of goods	3,217,896	3,265,028
	<u> </u>	<u> </u>
(ii) Balances outstanding at 31 December:		
Amounts owed by fellow subsidiary undertakings	1,835,956	2,105,650
	<u> </u>	<u> </u>
Amounts owed to fellow subsidiary undertakings	-	-
	<u> </u>	<u> </u>

15 PARENT COMPANY AND ULTIMATE CONTROLLING PARTY

The immediate parent company of the Company is Ralph Martindale and Company Limited (Crocodile House, Strawberry Lane, Willenhall, West Midlands, WV13 3RS), and the ultimate parent company is Ralph M.M Limited (6th Floor, Tower A, 1 CyberCity, Ebene, Mauritius).

The ultimate controlling party is Abdul Beydoun by virtue of his majority shareholding in Ralph M.M Limited.