

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020
FOR
PRS DISTRIBUTION LIMITED**

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FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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PRS DISTRIBUTION LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

DIRECTOR: P D R Sawdon

REGISTERED OFFICE: Unit 5-7 Airport Gate Business Centre
Bath Road
Heathrow
Harmondsworth
West Drayton
UB7 0NA

REGISTERED NUMBER: 03768774 (England and Wales)

AUDITORS: McKenzies
Chartered Accountants
Statutory Auditors
2 Station Road West
Oxted
Surrey
RH8 9EP

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The director presents his strategic report for the year ended 30 September 2020.

REVIEW OF BUSINESS

The principle activity of the company during the year was the provision of logistics and haulage services by road.

The company's turnover in the year decreased to £14,500,665 (2019: £18,053,272) however the gross profit margin increased to 37% (2019: 30%). The EBITDA of the company in the year was £2,749,469 which was a 9% increase on the previous year (2019: £2,517,964).

At the time of this review the director would like to highlight the coronavirus pandemic and the impact on revenues during the year and likely impact on future revenues and profits of the company however the director is satisfied with the current performance of the company as despite the downturn in turnover, was able to manage the business costs and improve on the gross profit margin and EBITDA.

The Director believes that they have acted responsibly in the face of unprecedented risks, supporting staff, maintaining safety and maintaining key customer relationships at this critical time.

During the period from which coronavirus had become a worldwide pandemic, the director was able to maintain sufficient reserves within the company and had adequate financing options available to support the company through the pandemic.

The director has considered that the company will be able to continue trading as normal throughout the coronavirus pandemic and remain to be profitable, therefore it is reasonable to prepare the financial statements on a going concern basis.

PRINCIPAL RISKS AND UNCERTAINTIES

The director has a strong emphasis on risk management which endeavours to identify and manage all business risks.

STRATEGIC AND COMMERCIAL RISK

There are risks of changes to the competitive and economic environment. This is mitigated by a robust strategy and planning process, and regular monitoring of the economic and competitive environment.

FINANCIAL RISK

There is a risk of reducing business value or earning capacity as well as risk of inadequate cash flow to meet financial obligations. This risk is mitigated by proactive management of the business plan, regular monitoring of cash flows and close relationships with important stakeholders within the business.

OPERATIONAL RISK

This is a risk of losses arising from inadequate or failed internal processes, from personnel and external events. These are mitigated by regularly monitoring the business risk register against occurring events and business continuity planning.

ON BEHALF OF THE BOARD:

P D R Sawdon - Director

14 May 2021

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The director presents his report with the financial statements of the company for the year ended 30 September 2020.

DIVIDENDS

An interim dividend of 5 per share was paid on 19 March 2020. The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2020 will be £ 150,000 .

DIRECTOR

P D R Sawdon was the sole director during the year under review.

The director holding office at 30 September 2020 did not hold any beneficial interest in the issued share capital of the company at 1 October 2019 or 30 September 2020.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 these financial statements, the director is required to:

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

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McKenzies, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

P D R Sawdon - Director

14 May 2021

Opinion

We have audited the financial statements of PRS Distribution Limited (the 'company') for the year ended 30 September 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 30 September 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditors' 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PRS DISTRIBUTION LIMITED

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 a Report of the Auditors 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.

Colin McCoy (Senior Statutory Auditor)
for and on behalf of McKenzies
Chartered Accountants
Statutory Auditors
2 Station Road West
Oxted
Surrey
RH8 9EP

14 May 2021

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

		2020 £	2019 £
	Notes		
TURNOVER		14,500,665	18,053,272
Cost of sales		<u>(9,064,311)</u>	<u>(12,581,274)</u>
GROSS PROFIT		5,436,354	5,471,998
Administrative expenses		<u>(4,585,764)</u>	<u>(4,324,481)</u>
		850,590	1,147,517
Other operating income		<u>279,885</u>	15,207
OPERATING PROFIT	4	1,130,475	1,162,724
Interest payable and similar expenses	5	<u>(98,965)</u>	<u>(142,414)</u>
PROFIT BEFORE TAXATION		1,031,510	1,020,310
Tax on profit	6	<u>(349,393)</u>	<u>(183,314)</u>
PROFIT FOR THE FINANCIAL YEAR		682,117	836,996

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		682,117	836,996
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>682,117</u>	<u>836,996</u>

BALANCE SHEET
30 SEPTEMBER 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8		457,104		417,558
Tangible assets	9		6,601,673		6,900,983
Investments	10		<u>1,076,639</u>		<u>1,076,639</u>
			8,135,416		8,395,180
CURRENT ASSETS					
Debtors	11	4,042,800		4,871,593	
Cash at bank		<u>76,110</u>		<u>-</u>	
		4,118,910		4,871,593	
CREDITORS					
Amounts falling due within one year	12	<u>4,849,419</u>		<u>7,682,740</u>	
NET CURRENT LIABILITIES			(730,509)		(2,811,147)
TOTAL ASSETS LESS CURRENT LIABILITIES			7,404,907		5,584,033
CREDITORS					
Amounts falling due after more than one year	13		(3,578,449)		(2,483,654)
PROVISIONS FOR LIABILITIES	17		<u>(532,105)</u>		<u>(338,143)</u>
NET ASSETS			<u>3,294,353</u>		<u>2,762,236</u>
CAPITAL AND RESERVES					
Called up share capital	18		30,000		30,000
Retained earnings	19		<u>3,264,353</u>		<u>2,732,236</u>
SHAREHOLDERS' FUNDS			<u>3,294,353</u>		<u>2,762,236</u>

The financial statements were approved by the director and authorised for issue on 14 May 2021 and were signed by:

P D R Sawdon - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 October 2018	30,000	1,895,240	1,925,240
Changes in equity			
Total comprehensive income	-	836,996	836,996
Balance at 30 September 2019	<u>30,000</u>	<u>2,732,236</u>	<u>2,762,236</u>
Changes in equity			
Dividends	-	(150,000)	(150,000)
Total comprehensive income	-	682,117	682,117
Balance at 30 September 2020	<u>30,000</u>	<u>3,264,353</u>	<u>3,294,353</u>

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

		2020	2019
		£	£
Cash flows from operating activities	Notes		
Cash generated from operations	1	(147,479)	2,893,580
Interest paid		(17,977)	(9,080)
Interest element of hire purchase payments paid		(80,988)	(133,334)
Tax paid		(40,072)	(53,171)
Net cash from operating activities		<u>(286,516)</u>	<u>2,697,995</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(39,546)	(416)
Purchase of tangible fixed assets		(38,102)	(1,283,745)
Purchase of fixed asset investments		-	(1,051,114)
Sale of tangible fixed assets		146,215	15,000
Interest received		9,300	15,207
Net cash from investing activities		<u>77,867</u>	<u>(2,305,068)</u>
Cash flows from financing activities			
New loans in year		1,090,000	-
Loan repayments in year		(15,056)	-
Capital repayments in year		(1,255,113)	(219,932)
Amount introduced by directors		1,130,292	492,411
Amount withdrawn by directors		(514,572)	(638,651)
Equity dividends paid		(150,000)	-
Net cash from financing activities		<u>285,551</u>	<u>(366,172)</u>
Increase in cash and cash equivalents		<u>76,902</u>	<u>26,755</u>
Cash and cash equivalents at beginning of year	2	(792)	(27,547)
Cash and cash equivalents at end of year	2	<u>76,110</u>	<u>(792)</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	1,031,510	1,020,310
Depreciation charges	1,607,566	1,370,311
(Profit)/loss on disposal of fixed assets	(28,279)	3,421
Finance Income	(9,300)	(15,207)
Finance costs	98,965	142,414
	2,700,462	2,521,249
Decrease/(increase) in trade and other debtors	213,073	(705,027)
(Decrease)/increase in trade and other creditors	(3,061,014)	1,077,358
Cash generated from operations	<u>(147,479)</u>	<u>2,893,580</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2020

	30.9.20	1.10.19
	£	£
Cash and cash equivalents	76,110	-
Bank overdrafts	-	(792)
	<u>76,110</u>	<u>(792)</u>

Year ended 30 September 2019

	30.9.19	1.10.18
	£	£
Cash and cash equivalents	-	1
Bank overdrafts	(792)	(27,548)
	<u>(792)</u>	<u>(27,547)</u>

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2020

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.10.19 £	Cash flow £	Other non-cash changes £	At 30.9.20 £
Net cash				
Cash at bank and in hand	-	76,110		76,110
Bank overdrafts	(792)	792		-
	<u>(792)</u>	<u>76,902</u>		<u>76,110</u>
Debt				
Finance leases	(4,222,011)	1,255,113	(1,388,091)	(4,354,989)
Debts falling due within 1 year	(30,740)	(69,368)	-	(100,108)
Debts falling due after 1 year	(32,219)	(1,005,575)	-	(1,037,794)
	<u>(4,284,970)</u>	<u>180,170</u>	<u>(1,388,091)</u>	<u>(5,492,891)</u>
Total	<u>(4,285,762)</u>	<u>257,072</u>	<u>(1,388,091)</u>	<u>(5,416,781)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2020

1. **STATUTORY INFORMATION**

PRS Distribution Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales tax.

Revenue is recognised based on the completion date of services provided during the year, which is also the date of the invoice.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of nil years.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- Straight line over the life of the lease
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Commercial Vehicles	- 25% on cost
Computer equipment	- 33% on cost

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Factoring

The company discounts its sales to a financial institution. The accounting policy adopted by the company is to reflect these transactions as follows: (i) Trade debtors are stated in full and presented within current assets. (ii) Sums advanced by the invoice discounting institution are presented as creditors due within one year. (iii.) Interest charged on monies advanced are provided for as finance costs as they are accrued. (iv) Other invoice discounted costs are included within administrative expenses as they are accrued.

Fixed asset investments

Fixed asset investments are stated at their fair value at the balance sheet date.

3. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	4,232,448	4,064,011
Social security costs	1,482	-
Other pension costs	87,302	60,553
	<u>4,321,232</u>	<u>4,124,564</u>

The average number of employees during the year was as follows:

	2020	2019
Average Staff numbers in total	<u>103</u>	<u>103</u>

	2020 £	2019 £
Director's remuneration	19,431	3,595
Director's pension contributions to money purchase schemes	<u>8,715</u>	<u>25</u>

4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2020 £	2019 £
Hire of plant and machinery	20,121	16,775
Depreciation - owned assets	247,211	265,703
Depreciation - assets on hire purchase contracts	1,360,356	1,104,607
(Profit)/loss on disposal of fixed assets	<u>(28,279)</u>	<u>3,421</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank interest	2,213	1,758
Bank loan interest	1,592	4,037
Hire Purchase loan interest	80,988	133,334
Finance Charges	14,172	3,285
	<u>98,965</u>	<u>142,414</u>

6. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	155,431	99,513
Deferred tax	193,962	83,801
Tax on profit	<u>349,393</u>	<u>183,314</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2020	2019
	£	£
Profit before tax	<u>1,031,510</u>	<u>1,020,310</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	195,987	193,859
Effects of:		
Expenses not deductible for tax purposes	1,784	5,596
Capital allowances in excess of depreciation	(42,340)	(99,942)
Deferred tax	193,962	83,801
Total tax charge	<u>349,393</u>	<u>183,314</u>

7. DIVIDENDS

	2020	2019
	£	£
Ordinary shares of 1 each		
Interim	<u>150,000</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

8. INTANGIBLE FIXED ASSETS

	Patents and licences £
COST	
At 1 October 2019	417,558
Additions	39,546
At 30 September 2020	<u>457,104</u>
NET BOOK VALUE	
At 30 September 2020	<u>457,104</u>
At 30 September 2019	<u>417,558</u>

9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 October 2019	119,874	535,696	140,715
Additions	6,531	-	-
Disposals	-	-	-
At 30 September 2020	<u>126,405</u>	<u>535,696</u>	<u>140,715</u>
DEPRECIATION			
At 1 October 2019	18,386	191,019	117,041
Charge for year	16,272	92,445	19,468
Eliminated on disposal	-	-	-
At 30 September 2020	<u>34,658</u>	<u>283,464</u>	<u>136,509</u>
NET BOOK VALUE			
At 30 September 2020	<u>91,747</u>	<u>252,232</u>	<u>4,206</u>
At 30 September 2019	<u>101,488</u>	<u>344,677</u>	<u>23,674</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

9. TANGIBLE FIXED ASSETS - continued

	Commercial Vehicles £	Computer equipment £	Totals £
COST			
At 1 October 2019	10,207,689	719,696	11,723,670
Additions	1,388,091	31,571	1,426,193
Disposals	(814,391)	-	(814,391)
At 30 September 2020	10,781,389	751,267	12,335,472
DEPRECIATION			
At 1 October 2019	4,153,768	342,473	4,822,687
Charge for year	1,294,101	185,281	1,607,567
Eliminated on disposal	(696,455)	-	(696,455)
At 30 September 2020	4,751,414	527,754	5,733,799
NET BOOK VALUE			
At 30 September 2020	6,029,975	223,513	6,601,673
At 30 September 2019	6,053,921	377,223	6,900,983

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Commercial Vehicles £	Computer equipment £	Totals £
COST				
At 1 October 2019	131,731	7,906,849	213,762	8,252,342
Additions	-	1,388,091	-	1,388,091
Disposals	-	(814,391)	-	(814,391)
At 30 September 2020	131,731	8,480,549	213,762	8,826,042
DEPRECIATION				
At 1 October 2019	65,162	2,215,546	26,720	2,307,428
Charge for year	32,880	1,274,040	53,436	1,360,356
Eliminated on disposal	-	(696,455)	-	(696,455)
At 30 September 2020	98,042	2,793,131	80,156	2,971,329
NET BOOK VALUE				
At 30 September 2020	33,689	5,687,418	133,606	5,854,713
At 30 September 2019	66,569	5,691,303	187,042	5,944,914

10. FIXED ASSET INVESTMENTS

Investments (neither listed nor unlisted) were as follows:

	2020 £	2019 £
Art work and other investments	1,076,639	1,076,639

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	3,322,254	3,430,152
Other debtors	174,295	235,277
Directors' current accounts	22,931	638,651
Accrued income	36,535	-
Prepayments	486,785	567,513
	<u>4,042,800</u>	<u>4,871,593</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 14)	100,108	31,532
Hire purchase contracts (see note 15)	1,814,334	1,770,576
Trade creditors	1,020,428	2,357,993
Tax	243,740	128,381
Social security and other taxes	90,556	92,666
VAT	786,728	361,940
Other creditors	427,155	65,161
Owed to factors	350,732	2,793,795
Accrued expenses	15,638	80,696
	<u>4,849,419</u>	<u>7,682,740</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans (see note 14)	1,037,794	32,219
Hire purchase contracts (see note 15)	2,540,655	2,451,435
	<u>3,578,449</u>	<u>2,483,654</u>

14. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	-	792
Bank loans	100,108	30,740
	<u>100,108</u>	<u>31,532</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>234,294</u>	<u>32,219</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>654,000</u>	<u>-</u>
Amounts falling due in more than five years:		

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

14. **LOANS - continued**

	2020 £	2019 £
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>149,500</u>	<u>-</u>

15. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2020 £	2019 £
Gross obligations repayable:		
Within one year	1,910,592	1,848,549
Between one and five years	<u>2,704,948</u>	<u>2,604,289</u>
	<u>4,615,540</u>	<u>4,452,838</u>

Finance charges repayable:		
Within one year	96,258	77,973
Between one and five years	<u>164,293</u>	<u>152,854</u>
	<u>260,551</u>	<u>230,827</u>

Net obligations repayable:		
Within one year	1,814,334	1,770,576
Between one and five years	<u>2,540,655</u>	<u>2,451,435</u>
	<u>4,354,989</u>	<u>4,222,011</u>

	Non-cancellable	operating leases
	2020 £	2019 £
Within one year	647,873	451,120
Between one and five years	<u>1,154,158</u>	<u>263,153</u>
	<u>1,802,031</u>	<u>714,273</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

16. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank overdraft	-	792
Owed to Factors	350,732	2,793,795
Bank loans	47,902	62,959
	<u>398,634</u>	<u>2,857,546</u>

The bank overdraft and loan are secured over the the company's assets by means of the Banks's standard debenture dated 11 July 2005. The director has also provided a personal guarantee.

A debenture dated 31 May 2012 was created in favour of RBS Invoice Finance Limited. The loan from the factor is secured by way of a fixed charge over the company assets and a floating charge over the remaining assets of the company.

17. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax	<u>532,105</u>	<u>338,143</u>
		Deferred tax
		£
Balance at 1 October 2019		338,143
Provided during year		193,962
Balance at 30 September 2020		<u>532,105</u>

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
30,000	Ordinary	1	<u>30,000</u>	<u>30,000</u>

19. RESERVES

	Retained earnings
	£
At 1 October 2019	2,732,236
Profit for the year	682,117
Dividends	(150,000)
At 30 September 2020	<u>3,264,353</u>

20. ULTIMATE CONTROLLING PARTY

The director considers the ultimate controlling party to be Michelle Sachs.

21. **RELATED PARTY DISCLOSURES**

PRS Logistics Limited is a company in which Mr P Sawdon is a director and shareholder. At the balance sheet date included within creditors due within one year was £213,977 (2019: £194,273 debtor), the amount represents a non-interest bearing loan that is repayable on demand.

The Directors current account is to be repaid in full by 30th June 2021.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.