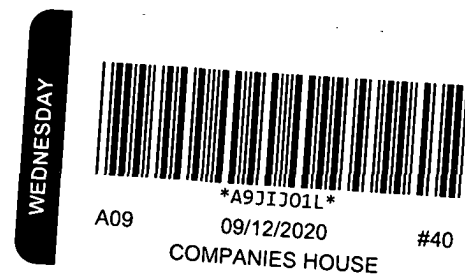

UPLANDS RETAIL LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2020



UPLANDS RETAIL LIMITED

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UPLANDS RETAIL LIMITED

COMPANY INFORMATION

Directors

J Rake
A J Shiner
K Feldman
M Barker
M J Hall

Registered number

04368529

Registered office

7 Brook Office Park
Folly Brook Road
Emersons Green
Bristol
BS16 7FL

Independent auditor

Nexia Smith & Williamson
Chartered Accountants & Statutory Auditors
Portwall Place
Portwall Lane
Bristol
BS1 6NA

Bankers

HSBC Bank Plc
Level 4
3 Temple Quay
Bristol
BS1 6DZ

UPLANDS RETAIL LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2020

The directors present their report and the financial statements for the year ended 30 June 2020.

Principal activity

The principal activity of the company during the year was building and construction.

Results and dividends

The profit for the year, after taxation, amounted to £4,232,686 (2019 - £4,717,592).

Intercompany dividends of £4,500,000 (2019 - £7,167,943) have been proposed by the directors and paid in the year to the parent company, Uplands Retail Holdings Limited.

Directors

The directors who served during the year were:

J Rake
A J Shiner
K Feldman
M Barker
M J Hall

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UPLANDS RETAIL LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

Future developments

The directors intend to continue the development of the Company's principal activity and are confident of the future financial performance of the Company. The expected ongoing impact of COVID-19 on the business is discussed in the strategic report.

Qualifying third party indemnity provisions

As defined by section 234 of the Companies Act 2006, the Company has entered into a qualifying third party indemnity arrangement for the benefit of its Directors. This arrangement was in force throughout the year and remains in force.

Greenhouse gas emissions, energy consumption and energy efficiency action

Effective from 1 April 2019, The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 introduced the requirement for annual energy and carbon reporting. This is our first year of reporting. Future reports will compare performance against the previous year.

UK GHG Emissions & Energy used financial year ending 30 June 2020

	Tonnes CO2e	kWh
Electricity (Scope 2)	1.113	4,776
Gas (Scope 2)	9.952	48,848
Transport (Scope 1 & 3)	277.941	1,230,013
Total	289.006	1,283,637

Intensity Ratio 0.00499 Total tonnes (CO2e) per £000 of Turnover

Methodology

Greenhouse gas emissions are reported in gross tonnes CO2e in line with the requirements set out in the UK Government's Environmental Reporting Guidelines (March 2019 version) and use the UK Government GHG (Green House Gas) Conversion Factors for Company Reporting (2020 version 1.0).

No energy is consumed outside of the United Kingdom.

Emissions from electricity and gas are location based (Bristol and Derby offices) and report grid purchased electricity (Scope 2). Where recorded electricity consumption does not align with the financial year it is adjusted proportionally to provide an annual total.

Transport energy includes fuel used in fleet and employees vehicles for business purposes (Scope 1 and 3). Energy consumption and emissions are estimated and based on recorded mileage. As vehicle details are unrecorded conversion from miles to kWh is based on an 'Average Car' and gross calorific value fuel conversion factors applied proportionally according to data provided in the 2020 Government GHG Conversion Factors for Company Reporting -Methodology Paper.

Energy efficiency actions

Conversion of all lighting within the Bristol office to LED.

Minimised travel to meetings and use of MS Team / Zoom connectivity platforms.

Purchase of energy efficient vehicles when renewals occur.

UPLANDS RETAIL LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020**

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'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's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Auditor

The auditor, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

K Feldman
Director



Date:

24/11/2020

UPLANDS RETAIL LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2020

The Directors present their Strategic Report for the year ended 30 June 2020.

Business review

The directors are pleased with the strong financial results for the year which show another outstanding year of trading despite the onset of the COVID-19 pandemic towards the end of the financial year.

They believe that the future prospects of the company remain excellent.

Financial key performance indicators

	2020	2019
Turnover	£57,916,045	£61,356,383
Operating profit (as a percentage of turnover)	7.9%	9.4%
Profit before tax (as a percentage of turnover)	8.0%	9.5%
Net current assets	£7,752,986	£7,941,810
Net assets	£8,062,856	£8,330,170

Business risks

Other than general economic risks and the ongoing uncertainty over Brexit, the principal risks facing the company are those relating to the future effects following on from the COVID-19 pandemic and it's overall status going into 2021. The majority of our business is derived from the retail sector which is continuing to currently thrive from the situation and the ongoing development of online shopping avenues, whether that be via 'click and collect' or home delivery routes. The company is continuing to expand its customer base both within and outside the retailing sector, and firmly believe it has a good foundation to survive any unforeseen outcomes in the near future.

The development of the business is dependent upon the company continuing to attract and train key personnel and subsequently providing them with appropriate training and resources. This safeguards the provision of the very high quality of service required by our customers. Aligned with this is the control and management of a competent and supportive supply chain which is currently a high level focus of the senior management group.

Financial Risk Management Objectives

The company finances its operations through the generation of cash from operating activities. The financial risk management objectives of the company in relation to financial instruments are set by the board of directors with a view to minimising exposure to price risk, credit risk, liquidity risk and cash flow risk.

UPLANDS RETAIL LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2020

COVID-19

This financial year saw the impact of the current global COVID-19 pandemic, with a reduction in the planned turnover level. However this has had no impact on our ability to continue to trade where suitable or effect the business operations fundamentally due to our robust IT infrastructure supporting our remote working practices.

Despite office closures for a period of time, we continued to operate with approximately 50% staff levels, and utilising the Government's furlough scheme to keep the rest in fully paid employment throughout. Late May and early June saw us back to nearly full operating capacity.

Work undertaken was principally within the 'Home Shopping' and distribution sectors we operate in, and other workstreams brought back on line in agreement with our clients and implementation of safe working practices throughout our operations.

Effective implementation of the above has allowed us to resume full trading towards the end of the year, and looking very healthy moving forward.

Section 172 Disclosures

Shareholder of the Holding Company

The shareholder is a member of the Board, which allows the other directors to liaise directly with the shareholder at Board meetings.

Employees

The company has a well-developed structure through which it engages regularly with employees at all levels. Board members perform regular site visits, and Senior Team meetings which provides the opportunity for directors to engage directly with employees on a variety of topics. We operate an open culture and door policy for every employee.

Customers

Directors remain in direct contact with all our principal customers, and have developed relationships to ensure we have full understanding of their objectives and our part in delivering those. Regular internal Senior team meetings are held to discuss all aspects of these ongoing relationships.

Suppliers

Key employees within the business are in regular contact with our principal suppliers and ensure we maintain relationships with companies within our supply chain. We employ a compliance manager to ensure a consistent approach to supplier onboarding and supply chain maintenance.

Community and Environment

The Board recognises the importance of leading a company that not only generates value for its shareholders, but also contributes to wider society. We regularly undertake and support charity events at a local and national level.

As a Construction business, we recognise that environmental and climate risks could impact us directly, and we are committed to reducing the environmental impact of our operations and products, and minimising our environmental footprint.

Culture

We look to foster a culture that carries out business with the utmost integrity and to the highest ethical standards. Our Chartered Building Company status reflects our commitment to this, and aligns with our staff development programme at all levels.

Our Director / Shareholder structure ensures we have a top down approach to the long term development of the company for everyone involved.

UPLANDS RETAIL LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2020**

This report was approved by the board and signed on its behalf.

K Feldman
Director



Date: 24/11/2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPLANDS RETAIL LIMITED

Opinion

We have audited the financial statements of Uplands Retail Limited (the 'company') for the year ended 30 June 2020 which comprise the Statement of comprehensive income, Balance Sheet, Statement of changes in equity and the 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 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 30 June 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 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

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 directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

Emphasis of matter - impact of COVID-19

We draw attention to note 1.3. of the financial statements, which describes the impact of COVID-19 on the company. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPLANDS RETAIL LIMITED (CONTINUED)

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. 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.

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 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, 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.

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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UPLANDS RETAIL LIMITED (CONTINUED)

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.

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 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.

Nexia Smith & Williamson

Fiona Westwood (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants & Statutory Auditors

Portwall Place
Portwall Lane
Bristol
BS1 6NA

Date: 03/12/2020

UPLANDS RETAIL LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2020**

	Note	2020 £	2019 £
Turnover	3	57,916,045	61,356,383
Other operating income	4	229,168	-
Raw materials and consumables		(1,361,230)	(1,250,337)
Other external charges		(45,529,052)	(47,711,786)
Staff costs		(4,594,138)	(4,033,622)
Depreciation and amortisation		(170,563)	(163,032)
Other operating expenses		(1,888,103)	(2,407,061)
Profit on sale of tangible assets		1,666	7,493
Operating profit	5	4,603,793	5,798,038
Interest receivable and similar income	8	25,513	15,363
Profit before tax		4,629,306	5,813,401
Tax on profit	9	(396,620)	(1,095,809)
Profit for the financial year		4,232,686	4,717,592

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of comprehensive income.

The notes on pages 14 to 26 form part of these financial statements.

UPLANDS RETAIL LIMITED
REGISTERED NUMBER:04368529

BALANCE SHEET
AS AT 30 JUNE 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	11	190,542	294,942
Tangible fixed assets	12	137,824	105,110
		<u>328,366</u>	<u>400,052</u>
Current assets			
Debtors: amounts falling due within one year	13	10,055,930	14,952,497
Bank & cash balances		8,501,043	4,700,272
		<u>18,556,973</u>	<u>19,652,769</u>
Creditors: amounts falling due within one year	14	(10,803,987)	(11,710,959)
Net current assets		<u>7,752,986</u>	<u>7,941,810</u>
Total assets less current liabilities		<u>8,081,352</u>	<u>8,341,862</u>
Provisions for liabilities			
Deferred tax	15	(18,496)	(11,692)
		<u>(18,496)</u>	<u>(11,692)</u>
Net assets		<u><u>8,062,856</u></u>	<u><u>8,330,170</u></u>
Capital and reserves			
Called up share capital	16	950	950
Capital redemption reserve	17	50	50
Profit and loss account	17	8,061,856	8,329,170
		<u><u>8,062,856</u></u>	<u><u>8,330,170</u></u>

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

K Feldman
 Director 

Date: 24/11/2020

The notes on pages 14 to 26 form part of these financial statements.

UPLANDS RETAIL LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2020

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 July 2018	950	50	10,779,521	10,780,521
Profit for the year	-	-	4,717,592	4,717,592
Dividends: Equity capital	-	-	(7,167,943)	(7,167,943)
At 1 July 2019	950	50	8,329,170	8,330,170
Profit for the year	-	-	4,232,686	4,232,686
Dividends: Equity capital	-	-	(4,500,000)	(4,500,000)
At 30 June 2020	950	50	8,061,856	8,062,856

The notes on pages 14 to 26 form part of these financial statements.

UPLANDS RETAIL LIMITED

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

1. Accounting policies

1.1 Basis of preparation of financial statements

Uplands Retail Limited is a private company, limited by shares, incorporated in England and Wales. The address of the registered office is: 7 Brook Office Park, Folly Brook Road, Emersons Green, Bristol, BS16 7FL.

1.2 FRS 102 Exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Uplands Retail Holdings Limited as at 30 June 2020 and these financial statements may be obtained from its registered address: 7 Brook Office Park, Folly Brook Road, Emersons Green, Bristol, BS16 7FL.

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 management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

UPLANDS RETAIL LIMITED

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

1. Accounting policies (continued)

1.3 Going concern

This financial year saw the impact of the current global COVID-19 pandemic, with a reduction in the planned turnover level. However this has had no impact on the company's ability to continue to trade where suitable or effect the business operations fundamentally due to the company's robust IT infrastructure supporting remote working practices.

Despite office closures for a period of time, the company continued to operate with approximately 50% staff levels, and utilising the Government's furlough scheme to keep the rest in fully paid employment throughout. Late May and early June saw trade back to nearly full operating capacity.

Work undertaken was principally within the 'Home Shopping' and distribution sectors the company operates in, and other workstreams brought back on line in agreement with the company's clients and implementation of safe working practices throughout operations.

Effective implementation of the above has allowed the company to resume full trading towards the end of the year, and looking very healthy moving forward.

The company has made a profit during the year and is in a positive net asset position. The directors expect the company to be profitable and cash generative in the upcoming year. Therefore the directors have a reasonable expectation that the company has adequate resources to continue operating for a period of at least 12 months from the date of signing these financial statements. Thus the financial statements have been prepared on a going concern basis.

1.4 Revenue

Revenue is recognised as earned when the company obtains the right to consideration for services provided. It comprises goods and services and is stated exclusive of value added tax.

1.5 Goodwill

Goodwill arising on the acquisition of a business is capitalised as an intangible asset, representing the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired.

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset.

The estimated useful lives range as follows:

Goodwill	-	20	years
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UPLANDS RETAIL LIMITED

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

1. Accounting policies (continued)

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected lives on the following bases:

Plant & machinery	- 25% straight line
Fixtures & fittings	- 25% straight line
Motor vehicles	- 25% straight line
Leasehold improvements	- over the period of the lease

1.7 Amounts recoverable on contracts

Contracts are assessed on an individual basis and reflected in the Statement of comprehensive income by recording turnover and related costs as contract activity progresses. Turnover is ascertained in a manner appropriate to the stage of completion of the contract, and credit taken for profit earned to date when the outcome of the contract can be assessed with reasonable certainty. The amount by which turnover exceeds payments on account is classified as "amounts recoverable on contracts" and included in debtors; to the extent that payments on account exceed relevant turnover, the excess is included as a creditor. Full provision is made for all losses on contracts in the period in which they are first foreseen.

1.8 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

UPLANDS RETAIL LIMITED

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

1. Accounting policies (continued)

1.9 Government grants

Grants are accounted under the accruals model as permitted by FRS 102.

Grants of a revenue nature are recognised in the Statement of comprehensive income in the same period as the related expenditure.

1.10 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.

1.11 Operating leases

Rentals under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 June 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

1.12 Pensions

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the Statement of comprehensive income.

1.13 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the Balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the Balance sheet date.

1.14 Interest income

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

UPLANDS RETAIL LIMITED

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

1. Accounting policies (continued)

1.15 Current and deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

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

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgments that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

Long term contracts

The Company's revenue recognition and margin recognition policies in respect of long term contracts, which are set out above, are central to the way in which the Company values the work it has carried out each financial period. The contracts are assessed on an individual basis to determine the stage of completion and turnover is then ascertained in a manner appropriate to the stage of completion of the contract. The policy requires forecasts to be made of the outcomes of the contracts, which require assessments and judgments to be made on the margin likely to be achieved, and hence the costs likely to be incurred. Full provision is made for all losses on contracts in the period in which they are first foreseen.

3. Turnover

All turnover arose within the United Kingdom.

4. Other operating income

	2020 £	2019 £
Government grants receivable	229,168	-

UPLANDS RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

5. Operating profit

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation of tangible fixed assets owned by the company	66,163	58,632
Amortisation of intangible assets	104,400	104,400
Auditor's remuneration	28,100	25,600
Auditor's remuneration - taxation and other	8,600	9,900
Operating lease rentals	120,924	119,264
Hire of plant and machinery	1,650,817	1,630,012
Difference on foreign exchange	438	4,494
	<u> </u>	<u> </u>

6. Employees

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

	2020	2019
	£	£
Wages and salaries	3,794,105	3,362,043
Social security costs	396,304	357,532
Cost of defined contribution pension scheme	403,729	314,047
	<u> </u>	<u> </u>
	<u>4,594,138</u>	<u>4,033,622</u>

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

	2020	2019
	No.	No.
Number of direct staff	59	59
Number of administrative staff	13	14
Number of directors	5	5
	<u> </u>	<u> </u>
	<u>77</u>	<u>78</u>

Included in wages and salaries is £122,203 (2019: £102,328) in respect of staff welfare.

UPLANDS RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

7. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	220,401	3,433
Directors pension costs - money purchase schemes	73,750	-
	<u>294,151</u>	<u>3,433</u>

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

During the year retirement benefits were accruing to 4 directors (2019 - NIL) in respect of defined benefit pension schemes.

8. Interest receivable

	2020 £	2019 £
Other interest receivable	<u>25,513</u>	<u>15,363</u>

9. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	849,847	1,097,979
Adjustments in respect of previous periods	(460,031)	595
Total current tax	<u>389,816</u>	<u>1,098,574</u>
Deferred tax		
Origination and reversal of timing differences	5,428	(2,765)
Effect of tax rate change on operating balance	1,376	-
Total deferred tax	<u>6,804</u>	<u>(2,765)</u>
Taxation on profit on ordinary activities	<u>396,620</u>	<u>1,095,809</u>

UPLANDS RETAIL LIMITED

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

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	4,629,306	5,813,401
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	879,568	1,104,546
Effects of:		
Expenses not deductible for tax purposes	38,992	40,700
Fixed asset differences	-	379
Adjustments to tax charge in respect of prior periods	(460,032)	-
Adjust deferred tax to average rate	1,376	815
Other differences leading to a decrease in the tax charge	(914)	-
Group relief	(62,370)	(50,631)
Total tax charge for the year	396,620	1,095,809

10. Dividends

	2020 £	2019 £
Intercompany ordinary dividends	4,500,000	7,167,943

All dividends paid during the year were to the parent company, Uplands Retail Holdings Limited.

UPLANDS RETAIL LIMITED

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

11. Intangible assets

	Goodwill £
Cost	
At 1 July 2019	2,085,483
At 30 June 2020	<u>2,085,483</u>
Amortisation	
At 1 July 2019	1,790,541
Charge for the year on owned assets	104,400
At 30 June 2020	<u>1,894,941</u>
Net book value	
At 30 June 2020	<u>190,542</u>
At 30 June 2019	<u>294,942</u>

UPLANDS RETAIL LIMITED

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

12. Tangible fixed assets

	Leasehold Improvements £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 July 2019	76,636	95,346	147,853	12,206	332,041
Additions	27,178	21,563	47,143	4,985	100,869
Disposals	-	(19,875)	(9,561)	(1,370)	(30,806)
At 30 June 2020	103,814	97,034	185,435	15,821	402,104
Depreciation					
At 1 July 2019	75,298	54,287	91,260	6,086	226,931
Charge for the year on owned assets	1,992	24,258	35,958	3,955	66,163
Disposals	-	(19,875)	(7,569)	(1,370)	(28,814)
At 30 June 2020	77,290	58,670	119,649	8,671	264,280
Net book value					
At 30 June 2020	26,524	38,364	65,786	7,150	137,824
At 30 June 2019	1,338	41,059	56,593	6,120	105,110

UPLANDS RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

13. Debtors

	2020 £	2019 £
Trade debtors	4,492,420	9,479,956
Amounts owed by related undertakings	31,066	1,563,846
Prepayments and accrued income	198,939	95,300
Amounts recoverable on contracts	5,333,505	3,813,395
	<u>10,055,930</u>	<u>14,952,497</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Payments received on account	1,145,185	511,165
Trade creditors	1,686,336	1,549,417
Corporation tax	574,847	398,084
Other taxation and social security	294,361	963,390
Other creditors	34,900	29,527
Accruals and deferred income	7,068,358	8,259,376
	<u>10,803,987</u>	<u>11,710,959</u>

The company has unused bank overdraft facilities which are secured by a fixed and floating charge over all current and future assets of the company.

15. Deferred taxation

	2020 £	2019 £
At beginning of year	(11,692)	(14,457)
Timing differences	(6,804)	2,765
At end of year	<u>(18,496)</u>	<u>(11,692)</u>

UPLANDS RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

15. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	2020 £	2019 £
Fixed asset timing differences	(25,127)	(16,712)
Short term timing differences	6,631	5,020
	<u>(18,496)</u>	<u>(11,692)</u>

The amount of unprovided deferred tax asset at the year end was £nil (2019 - £nil).

16. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
950 (2019 - 950) Ordinary shares of £1 each	<u>950</u>	<u>950</u>

17. Reserves

Capital redemption reserve

This reserve relates to the nominal value of redeemed preference shares which cannot be distributed to shareholders.

Profit & loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

18. Contingent liabilities

The company entered into a cross guarantee, together with Uplands Retail Holdings Limited, for the group's bank borrowings. The bank borrowings were repaid during the year, and at 30 June 2020 group borrowings subject to this guarantee were £nil (2019 - £3,000,000).

UPLANDS RETAIL LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2020**

19. Commitments under operating leases

At 30 June 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Land and buildings		
Not later than 1 year	99,390	104,944
Later than 1 year and not later than 5 years	298,440	380,653
Later than 5 years	-	17,465
Total	<u>397,830</u>	<u>503,062</u>
	2020 £	2019 £
Other		
Not later than 1 year	16,291	16,291
Later than 1 year and not later than 5 years	6,873	23,209
	<u>23,164</u>	<u>39,500</u>

20. Related party transactions

The company leases property from a business known as the Brook Office Partnership. Mr A Shiner, a director of the company, is a partner in that business. During the year under review rent of £120,924 (2019 - £119,264) was paid to the Brook Office Partnership and £29,719 (2019 - £nil) was owed at the year end.

21. Controlling party

The immediate and ultimate parent company is Uplands Retail Holdings Limited, a company registered in England and Wales. There is not deemed to be one ultimate controlling party.