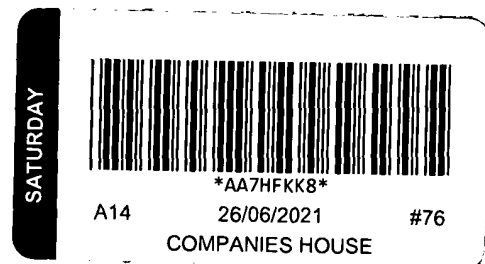


Registered number
02404505

P.F. Cusack (Tools Supplies) Limited

Report and Financial Statements

30 September 2020



Barron & Co.
Chartered Certified Accountants
Chartered Tax Advisers | Registered Auditor
332-336 Holloway Road London N7 6NJ

P.F. Cusack (Tools Supplies) Limited
Report and accounts
Contents

	Page
Company information	1
Director's report	2 - 3
Strategic report	4 - 6
Independent auditors' report	7 - 9
Consolidated Income Statement	10
Consolidated Statement of comprehensive income	11
Consolidated Statement of financial position	12
Company Statement of financial position	13
Consolidated Statement of changes in equity	14
Company Statement of changes in equity	15
Consolidated Statement of cash flows	16
Notes to the financial statements	17 - 25

**P.F. Cusack (Tools Supplies) Limited
Company Information**

Director

P F Cusack

Secretary

M A Cusack

Auditors

Barron & Co (Accounting Services) Limited
332-336 Holloway Road
LONDON
N7 6NJ

Bankers

Allied Irish Bank
PO Box 123
92 Ann Street
Belfast
BT1 3AY

Solicitors

Lenon & Co.
Chess Chambers
2 Broadway Court
Chesham
Bucks
HP5 1EG

Registered office

332-336 Holloway Road
London
N7 6NJ

Registered number

02404505

P.F. Cusack (Tools Supplies) Limited

Registered number: 02404505

Director's Report

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

Directors

The following person served as director during the year:

P F Cusack

Results and dividends

The profit for the year, after taxation, amounted to £2,056,333. The director recommends a final dividend of £200,000 (£20 per share).

Fixed Assets

The changes in fixed assets are set out in notes 8 of the financial statements. The director is of the opinion that freehold properties shown in the accounts at £13,948,667 had a market value at 30th September 2020 of £19,960,000.

Impairment review

There have been no further impairment of fixed assets during the year.

Director's responsibilities

The director is responsible for preparing the report and 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 (Financial Reporting Standard 102 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 group and the company and of the profit or loss of the group 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 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 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.

P.F. Cusack (Tools Supplies) Limited

Registered number: 02404505

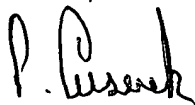
Director's Report

Disclosure of information to auditors

The director confirms that:

- so far as he is aware, there is no relevant audit information of which the group and company's auditor is 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 group and company's auditor is aware of that information.

This report was approved by the board on 24 June 2021 and signed on its behalf.



P.F. Cusack
Director

P.F. Cusack (Tools Supplies) Limited Strategic Report

The director presents his strategic report and the financial statements of the group for the year ended 30 September 2020.

Review of the business

The principal activity of the group during the year continued to be that of Industrial Tools and Safety Equipment suppliers to broad range on customers primarily in the construction industry. In addition the group has a wholly owned subsidiary, Jafco Tools Limited, a company which manufactures specialist hand tools for use in safety critical situations mainly for Rail Tracks, Highways & Infrastructure and Fire & Rescue.

The director is pleased with the levels of turnover and profitability generated by the group's principal activities in what continues to be a challenging environment with continuing pressures on margin, and is optimistic that trading performance will be similar in the coming year. Jafco Tools Ltd was profitable for the year end 30 September 2019 and the director is optimistic that the subsidiary company will continue to have better opportunities due to the quality and safety of its products.

The turnover and profitability has increased due to the increased demand for signs, protective clothing and sanitizers. The company has also acquired new customers.

Results and performance

Principal activities - Tools Supplies	2020	2019
Turnover	£42,173,121	£34,956,299
Increase in turnover	21%	-2%
Gross margin	30.08%	30.50%

The group monitors various key financial performance indicators as part of its accounting and management reporting process.

Subsidiaries

Jafco Tools Limited (CRN: 01572004) is a wholly owned subsidiary of P.F. Cusack (Tools Supplies) Limited.

Subsidiary activities - Manufacturing of specialist hand tools	2020	2019
Turnover	£1,626,097	£1,492,681
Increase in turnover	9%	-1%
Operating profit / (loss)	£233,131	£166,380

The group monitors various key financial performance indicators of Jafco Tools Limited as part of its accounting and management reporting process.

Investments

P.F. Cusack (Tools Supplies) Limited has an investment of 9.2% share capital in London Irish Consortium (2013) Limited ('LIC'). LIC's principal activity is that of an investment holding company and has acquired a controlling stake in London Irish Holdings Limited, a professional rugby club.

Non-Financial Key Performance Indicators

The group seeks to ensure that responsible business and customer focused practice is adhered into the management of all its operations and into the culture of all parts of its business. The director believes that consistent adoption of best health and safety practice along with customer relationships, service quality and team work is essential for operational excellence, which in the long run ensures the delivery of its main objectives of sustained real growth in the value of the business and profitability.

The director considers that there are collectively various non-financial performance indicators but none individually are key.

Section 172 Companies Act

This statement sets out how the directors have had regard to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006 when they consider the most likely way to promote the success of the company for the benefit of its members as a whole.

The director is committed to ensuring that the Company maintains a strong relationships with its employees, its customers, its supply chain and other stakeholders, and this will remain a long term focus of the Company as it continues to grow and expand.

The director considers it is important to create a working environment where employees want to work and remain as part of the overall strategy of the Company. The director has agreed company objectives relating to the retention of employees. These objectives are reviewed by the Director who monitors the retention of existing people and the development of new people joining the business.

The Company provides regular updates to all teams and this year has seen a particular focus on the changes due to Covid-19. The Company values all its employees and ensure that health, safety and wellbeing is promoted and maintained at all times without compromise.

The Company strives together with its customers and is determined to continue to deliver a best in class service to each and every one of its clients. The Company's exceptional, reliable and consistent service continues to assist construction businesses without any delays to the commencement or finishing their projects.

The Company is focused on executing its strategy to ensure its Shareholders benefit from strong underlying returns whilst also maintaining an ethical and moral ethos across all decisions made.

The Company's suppliers are essential for its business to flourish and it is committed to purchasing goods and services from sustainable businesses. The Company takes a risk based approach regarding its supply chains and procurement activities are aligned to its values and to the laws of the country in which it operates.

Cusack maintains the ethos of social responsibility and ethical trading. The Company is an organising committee where it has supported various charities such as ICAP, Hillingdon Autistic Center, Great Ormond Street Children Hospital etc. through various events and charity dinners.

Principal Risks and Uncertainties

The process of risk acceptance and risk management is addressed through monitoring activities in an ongoing basis, with procedures and internal controls. Compliance with regulatory requirements, particularly to that of health and safety remain critical and high priority for the Group and compliance team and group finance department take on an important oversight role in this regard.

The principal risks for the group remains regulation in the construction industry. The economy has been hit by a major reduction in GDP as a result of Covid-19 virus. Government restrictions are gradually being relaxed but major uncertainty remains. The group has performed well in these difficult trading conditions however the group has experienced cost increases for products and shipping

In addition the Group is exposed to the financial risks arising primarily from the investment that it holds in London Irish Consortium (2013) Ltd, a company that holds 89.1% of the entire issued share capital of London Irish Holdings Limited, a professional rugby club. The playing performance on the field is fundamental for the success of the club as a whole.

The parent company of London Irish Rugby Club has stated its intention to support London Irish Rugby Club however playing performance on the field is a fundamental ingredient to the financial success of the club. In particular the financial importance of maintaining its place in The Premiership has been prioritised by the directors. Whilst this has been confirmed for the 2021/22 season, this remains a key goal for all future periods.

Future developments

The director remains hopeful that the Group's performance can be maintained, despite the challenging economic environment, Brexit uncertainty and the longer impact of Covid-19. The group has continued to grow despite the challenges and the director believes that profitability will continue.

The government has indicated that it will continue to support businesses in the construction industry by increased spending in infrastructure post Brexit and Covid-19.

Interest rates are predicted to remain low in the short to medium term as the group's principal financial instruments comprise of bank balances, bank overdraft, trade creditors, trade debtors, loans and hire purchase agreements.

This report was approved by the board on 24 June 2021 and signed on its behalf.



P.F. Cusack
Director

P.F. Cusack (Tools Supplies) Limited
Independent auditors' report
to the members of P.F. Cusack (Tools Supplies) Limited

Opinion

We have audited the financial statements of P.F. Cusack (Tools Supplies) Limited for the year ended 30 September 2020 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Company Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give true and fair view of the state of the group's and the parent company's affairs as at 30 September 2020 and of the group's profit for the year ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent 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 directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

P.F. Cusack (Tools Supplies) Limited
Independent auditors' report
to the members of P.F. Cusack (Tools Supplies) Limited

Opinion on the other matter 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Director's Report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's 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 Statement of Director's Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objective is 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis of our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and the related disclosures made by the directors.

P.F. Cusack (Tools Supplies) Limited
Independent auditors' report
to the members of P.F. Cusack (Tools Supplies) Limited

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



T J Barron
(Senior Statutory Auditor)
for and on behalf of
Barron & Co (Accounting Services) Limited
Accountants and Statutory Auditor
24 June 2021

332-336 Holloway Road
LONDON
N7 6NJ

P.F. Cusack (Tools Supplies) Limited
Consolidated Income Statement
for the year ended 30 September 2020

	Notes	2020 £	2020 £	2020 £	2019 £	2019 £	2019 £
		Company	Jafco Tools Ltd	Consolidated	Company	Jafco Tools Ltd	Consolidated
Turnover	2	42,173,121	1,626,097	43,197,350	34,956,299	1,492,681	35,872,096
Cost of sales		(29,487,695)	(696,170)	(29,581,997)	(24,293,052)	(724,968)	(24,441,136)
Gross profit		12,685,426	929,927	13,615,353	10,663,247	767,713	11,430,960
Distribution costs		(1,269,421)	(39,642)	(1,309,063)	(1,107,943)	(50,285)	(1,158,228)
Administrative expenses		(8,793,392)	(657,154)	(9,450,546)	(8,241,517)	(551,048)	(8,792,565)
Other operating income		7,350	-	7,350	5,149	-	5,149
Operating profit	3	2,629,963	233,131	2,863,094	1,318,936	166,380	1,485,316
(Loss)/gain on sale of fixed assets		(25,699)	(83)	(25,782)	134	-	134
Gain on revaluation of investment property		-	-	-	45,000	-	45,000
Interest receivable		7,034	-	7,034	20,211	-	20,211
Interest payable	5	(195,367)	(4,373)	(199,740)	(234,935)	(5,121)	(240,056)
Profit on ordinary activities before taxation		2,415,931	228,675	2,644,606	1,149,346	161,259	1,310,605
Tax on profit on ordinary activities	6	(542,871)	(45,402)	(588,273)	(280,183)	(40,200)	(320,383)
Profit for the financial year		1,873,060	183,273	2,056,333	869,163	121,059	990,222

P.F. Cusack (Tools Supplies) Limited
Consolidated Statement of comprehensive income
for the year ended 30 September 2020

	Notes	2020 £	2019 £
Profit for the financial year		2,056,333	990,222
Total comprehensive income for the year		<u>2,056,333</u>	<u>990,222</u>

P.F. Cusack (Tools Supplies) Limited
Consolidated Statement of Financial Position
as at 30 September 2020

	Notes	2020 £	2019 £
Fixed assets			
Intangible assets	7	97,916	130,555
Tangible assets	8	15,907,918	15,774,834
Investment property	9	245,000	245,000
Investments	10	482,513	482,513
		<u>16,733,347</u>	<u>16,632,902</u>
Current assets			
Stocks	11	4,912,713	4,890,766
Debtors	12	12,510,412	10,170,939
Cash at bank and in hand		5,225,731	3,910,544
		<u>22,648,856</u>	<u>18,972,249</u>
Creditors: amounts falling due within one year	13	(9,868,760)	(6,909,891)
Net current assets		<u>12,780,096</u>	<u>12,062,358</u>
Total assets less current liabilities		<u>29,513,443</u>	<u>28,695,260</u>
Creditors: amounts falling due after more than one year	14	(4,832,827)	(5,883,086)
Provisions for liabilities			
Deferred taxation	16	(183,663)	(171,554)
Net assets		<u>24,496,953</u>	<u>22,640,620</u>
Capital and reserves			
Called up share capital	17	10,000	10,000
Profit and loss account	18	24,486,953	22,630,620
Total equity		<u>24,496,953</u>	<u>22,640,620</u>

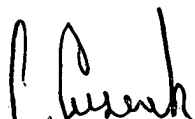


P.F. Cusack
 Director

Approved by the board on 24 June 2021

P.F. Cusack (Tools Supplies) Limited
Company Statement of Financial Position
as at 30 September 2020

	Notes	2020 £	2019 £
Fixed assets			
Intangible assets	7	97,916	130,555
Tangible assets	8	15,323,203	15,237,075
Investment property	9	245,000	245,000
Investments	10	848,134	848,134
		<u>16,514,253</u>	<u>16,460,764</u>
Current assets			
Stocks	11	4,426,728	4,397,684
Debtors	12	12,820,299	10,652,725
Cash at bank and in hand		5,159,309	3,910,544
		<u>22,406,336</u>	<u>18,960,953</u>
Creditors: amounts falling due within one year	13	(9,700,025)	(6,839,860)
Net current assets		<u>12,706,311</u>	<u>12,121,093</u>
Total assets less current liabilities		<u>29,220,564</u>	<u>28,581,857</u>
Creditors: amounts falling due after more than one year	14	(4,726,950)	(5,765,242)
Provisions for liabilities			
Deferred taxation	16	(164,053)	(160,114)
Net assets		<u>24,329,561</u>	<u>22,656,501</u>
Capital and reserves			
Called up share capital	17	10,000	10,000
Profit and loss account	18	24,319,561	22,646,501
Total equity		<u>24,329,561</u>	<u>22,656,501</u>



P.F. Cusack
 Director

Approved by the board on 24 June 2021

P.F. Cusack (Tools Supplies) Limited
Consolidated Statement of Changes in Equity
for the year ended 30 September 2020

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 October 2018	10,000	-	-	21,840,398	21,850,398
Profit for the financial year				990,222	990,222
Dividends				(200,000)	(200,000)
At 30 September 2019	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>22,630,620</u>	<u>22,640,620</u>
At 1 October 2019	10,000	-	-	22,630,620	22,640,620
Profit for the financial year				2,056,333	2,056,333
Dividends				(200,000)	(200,000)
At 30 September 2020	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>24,486,953</u>	<u>24,496,953</u>

P.F. Cusack (Tools Supplies) Limited
Company Statement of Changes in Equity
for the year ended 30 September 2020

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 October 2018	10,000	-	-	21,977,338	21,987,338
Profit for the financial year				869,163	869,163
Dividends				(200,000)	(200,000)
At 30 September 2019	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>22,646,501</u>	<u>22,656,501</u>
At 1 October 2019	10,000	-	-	22,646,501	22,656,501
Profit for the financial year				1,873,060	1,873,060
Dividends				(200,000)	(200,000)
At 30 September 2020	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>24,319,561</u>	<u>24,329,561</u>

P.F. Cusack (Tools Supplies) Limited
Consolidated Statement of Cash Flows
for the year ended 30 September 2020

	Notes	2020 £	2019 £
Operating activities			
Profit for the financial year		2,056,333	990,222
Adjustments for:			
Loss/(gain) on sale of fixed assets		25,782	(134)
Gain on revaluation of investment property		-	(45,000)
Interest receivable		(7,034)	(20,211)
Interest payable		199,740	240,056
Tax on profit on ordinary activities		588,273	320,383
Depreciation		685,247	634,613
Amortisation of goodwill		32,639	32,639
Increase in stocks		(21,947)	(1,374,383)
(Increase)/decrease in debtors		(2,136,670)	1,469,732
Increase in creditors		2,499,021	402,691
		<u>3,921,384</u>	<u>2,650,608</u>
Interest received		7,034	20,211
Interest paid		(199,740)	(239,225)
Interest element of finance lease payments		-	(831)
Corporation tax paid		(470,570)	(295,001)
		<u>3,258,108</u>	<u>2,135,762</u>
Cash generated by operating activities			
Investing activities			
Payments to acquire tangible fixed assets		(861,013)	(1,022,577)
Payments to acquire investments		-	-
Proceeds from sale of tangible fixed assets		8,811	2,551
		<u>(852,202)</u>	<u>(1,020,026)</u>
Cash used in investing activities			
Financing activities			
Equity dividends paid		(200,000)	(200,000)
Repayment of loans		(860,629)	(873,784)
Capital element of finance lease payments		-	-
		<u>(1,060,629)</u>	<u>(1,073,784)</u>
Cash used in financing activities			
Net cash generated			
Cash generated by operating activities		3,258,108	2,135,762
Cash used in investing activities		(852,202)	(1,020,026)
Cash used in financing activities		(1,060,629)	(1,073,784)
		<u>1,345,277</u>	<u>41,952</u>
Net cash generated			
Cash and cash equivalents at 1 October		<u>3,880,454</u>	<u>3,838,502</u>
Cash and cash equivalents at 30 September		<u>5,225,731</u>	<u>3,880,454</u>
Cash and cash equivalents comprise:			
Cash at bank		5,225,731	3,910,544
Bank overdrafts	13	-	(30,090)
		<u>5,225,731</u>	<u>3,880,454</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease
Plant and machinery	20% Reducing balance
Motor vehicles	25% Reducing balance

Investment property

Investment property is initially recognised at cost and then subsequently measured at fair value. Changes in value are recognised in profit or loss.

Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 Analysis of turnover	2020	2019
	£	£
Sale of goods	<u>43,197,350</u>	<u>35,872,096</u>
By geographical market:		
UK	43,159,829	35,836,154
Europe	<u>37,521</u>	<u>35,942</u>
	<u>43,197,350</u>	<u>35,872,096</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

3 Operating profit	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	652,809	605,262
Depreciation of assets held under finance leases and hire purchase contracts	3,551	4,734
Amortisation of goodwill	32,639	32,639
Operating lease rentals - plant and machinery	64,609	76,237
Auditors' remuneration for audit services	12,500	12,500
Auditors' remuneration for other services	6,750	6,750
Key management personnel compensation (including directors' emoluments)	81,250	81,250
Carrying amount of stock sold	<u>29,581,997</u>	<u>24,441,136</u>
4 Staff costs	2020	2019
	£	£
Wages and salaries	5,877,337	5,131,907
Social security costs	507,468	448,933
Other pension costs	<u>104,964</u>	<u>79,308</u>
	<u>6,489,769</u>	<u>5,660,148</u>
Average number of employees during the year	Number	Number
Administration	130	124
Manufacturing	65	51
Marketing	<u>10</u>	<u>11</u>
	<u>205</u>	<u>186</u>
5 Interest payable	2020	2019
	£	£
Bank loans and overdrafts	<u>199,740</u>	<u>234,935</u>
6 Taxation	2020	2019
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	576,164	203,029
Deferred tax:		
Origination and reversal of timing differences	12,109	77,154
Tax on profit on ordinary activities	<u>588,273</u>	<u>280,183</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2020	2019
	£	£
Profit on ordinary activities before tax	<u>2,415,931</u>	<u>1,149,346</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	459,027	218,376
Effects of:		
Expenses not deductible for tax purposes	117,137	(15,347)
Current tax charge for period	<u>576,164</u>	<u>203,029</u>

7 Intangible fixed assets

Goodwill:

Cost

At 1 October 2019

326,389

At 30 September 2020

326,389

Amortisation

At 1 October 2019

195,834

Provided during the year

32,639

At 30 September 2020

228,473

Carrying amount

At 30 September 2020

97,916

At 30 September 2019

130,555

Goodwill is being written off in equal annual instalments over its estimated economic life of 10 years.

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

8 Tangible fixed assets

Group	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	<i>At cost</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost or valuation				
At 1 October 2019	16,399,835	3,405,685	625,522	20,431,042
Additions	482,596	319,155	59,262	861,013
Disposals	-	(254,392)	(14,196)	(268,588)
At 30 September 2020	<u>16,882,431</u>	<u>3,470,448</u>	<u>670,588</u>	<u>21,023,467</u>
Depreciation				
At 1 October 2019	2,149,215	2,289,148	217,845	4,656,208
Charge for the year	307,379	333,370	44,498	685,247
On disposals	-	(214,801)	(11,105)	(225,906)
At 30 September 2020	<u>2,456,594</u>	<u>2,407,717</u>	<u>251,238</u>	<u>5,115,549</u>
Carrying amount				
At 30 September 2020	<u>14,425,837</u>	<u>1,062,731</u>	<u>419,350</u>	<u>15,907,918</u>
At 30 September 2019	<u>14,250,620</u>	<u>1,116,537</u>	<u>407,677</u>	<u>15,774,834</u>

Company	Land and buildings	Plant and machinery	Fixtures, fittings, tools and equipment	Total
	<i>At cost</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost or valuation				
At 1 October 2019	15,588,759	3,207,102	570,333	19,366,194
Additions	467,426	280,924	36,737	785,087
Disposals	-	(254,392)	(12,670)	(267,062)
At 30 September 2020	<u>16,056,185</u>	<u>3,233,634</u>	<u>594,400</u>	<u>19,884,219</u>
Depreciation				
At 1 October 2019	1,810,639	2,154,101	164,379	4,129,119
Charge for the year	296,879	317,717	41,764	656,360
Revaluation	-	-	-	-
Transfers from investment property	-	-	-	-
On disposals	-	(214,801)	(9,662)	(224,463)
At 30 September 2020	<u>2,107,518</u>	<u>2,257,017</u>	<u>196,481</u>	<u>4,561,016</u>
Carrying amount				
At 30 September 2020	<u>13,948,667</u>	<u>976,617</u>	<u>397,919</u>	<u>15,323,203</u>
At 30 September 2019	<u>13,778,120</u>	<u>1,053,001</u>	<u>405,954</u>	<u>15,237,075</u>

	2020	2019
	£	£
Carrying value of plant and machinery included above held under finance leases and hire purchase contracts	<u>10,652</u>	<u>14,203</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

9 Investment property	2020
	£
Valuation	
At 1 October 2019	<u>245,000</u>
At 30 September 2020	<u>245,000</u>

The valuation was provided by an Independent Chartered Surveyor in accordance with RICS Valuation - Professional Standards.

10 Investments

Group	Investments subsidiary undertakings	Other investments	Total
	£	£	£
Cost			
At 1 October 2019	365,621	482,513	848,134
Additions	-	-	-
Disposals	-	-	-
At 30 September 2020	<u>365,621</u>	<u>482,513</u>	<u>848,134</u>

The company holds investment in the share capital of the following companies:

Company	Shares held		Capital and reserves	Profit (loss) for the year
	Class	%	£	£
Jafco Tools Limited	Ordinary	100	<u>533,013</u>	<u>183,273</u>

Subsidiary (Jafco Tools Limited) is exempt from providing audited accounts under section 479A of the Companies Act 2006.

In addition, the company also holds 9.2% share capital investment in London Irish Consortium (2013) Ltd, is a subsidiary of another company incorporated in the EEA and in accordance with section 400 of the Companies Act 2006, is not required to produce and has not published consolidated accounts. The accounts therefore disclose details of the company as an individual undertaking and not its group.

11 Stocks	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Finished goods and goods for resale	<u>4,912,713</u>	<u>4,890,766</u>	<u>4,426,728</u>	<u>4,397,684</u>

12 Debtors	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	10,392,887	8,052,107	10,193,229	7,964,348
Amounts owed by group undertakings and undertakings in which the company has a participating interest	-	-	509,545	569,545
Other debtors	2,117,525	2,118,832	2,117,525	2,118,832
	<u>12,510,412</u>	<u>10,170,939</u>	<u>12,820,299</u>	<u>10,652,725</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

13 Creditors: amounts falling due within one year	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	875,194	626,237	863,912	615,026
Trade creditors	7,288,890	5,749,238	7,285,679	5,800,201
Corporation tax	167,358	61,764	130,129	58,041
Other taxes and social security costs	1,262,668	236,389	1,195,091	198,288
Other creditors	273,976	198,083	225,214	168,304
	<u>9,868,760</u>	<u>6,909,891</u>	<u>9,700,025</u>	<u>6,839,860</u>

14 Creditors: amounts falling due after one year	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans	<u>4,832,827</u>	<u>5,882,413</u>	<u>4,726,950</u>	<u>5,765,242</u>

15 Loans	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Loans not wholly repayable within five years:				
Loan 1 (interest rate of 3.25% for £ and 2.94% for £117,158)	117,158	392,302	-	263,921
Loan 2 (interest rate of 3.00% for £2,681,094)	2,681,094	2,911,464	2,681,094	2,911,464
Loan 3 (interest rate of 3.56675% . 2.75% margin above LIBOR)	2,909,768	3,204,884	2,909,768	3,204,884
	<u>5,708,020</u>	<u>6,508,650</u>	<u>5,590,862</u>	<u>6,380,269</u>
Analysis of maturity of debt:				
Within one year or on demand	875,193	626,237	863,912	615,027
Between one and two years	964,382	390,269	951,494	377,746
Between two and five years	2,001,435	1,263,198	1,937,743	1,199,948
After five years	1,867,010	4,228,946	1,837,713	4,187,548
	<u>5,708,020</u>	<u>6,508,650</u>	<u>5,590,862</u>	<u>6,380,269</u>

The parent company's bank loans and overdrafts are secured on mortgage debenture over all the assets of the company; first legal mortgage over Unit 2, Wingates Industrial Park, Bolton and Unit 2, Wingate South Industrial Estate; first legal mortgage over Plot 3C Wolverhampton Science Park; first legal mortgage over Unit 1 Dundee Way London; legal mortgage over Land to the North Side of Anchor Lane, Bilston, WV14 9NE.

The group's bank loans and overdrafts are secured on parent mortgage debenture as above and 1st legal charge over Access House, West Midlands.

Net obligations under hire purchase agreements are secured on the specific assets financed.

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

16 Deferred taxation	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Accelerated capital allowances	<u>183,663</u>	<u>171,554</u>	<u>164,053</u>	<u>160,114</u>
	2020 £	2019 £	2020 £	2019 £
At 1 October	171,554	57,923	160,114	82,960
Charged to the profit and loss account	12,109	113,631	3,939	77,154
At 30 September	<u>183,663</u>	<u>171,554</u>	<u>164,053</u>	<u>160,114</u>

17 Share capital	Nominal value	2020 Number	2020 £	2019 £
Allotted, called up and fully paid: Ordinary shares	£1 each	10,000	<u>10,000</u>	<u>10,000</u>

18 Profit and loss account

Group	£
At 1 October 2019	22,630,620
Prior year adjustments	-
At 1 October 2019	<u>22,630,620</u>
Profit for the financial year	2,056,333
Dividends	(200,000)
Transfer to capital redemption reserve	-
At 30 September 2020	<u>24,486,953</u>
Company	£
At 1 October 2019	22,646,501
Prior year adjustments	-
At 1 October 2019	<u>22,646,501</u>
Profit for the financial year	1,873,060
Dividends	(200,000)
At 30 September 2020	<u>24,319,561</u>

19 Dividends	2020 £	2019 £
Dividends on ordinary shares (note 18)	<u>200,000</u>	<u>200,000</u>

P.F. Cusack (Tools Supplies) Limited
Notes to the Accounts
for the year ended 30 September 2020

20 Contingent liabilities

The company does not have any financial commitments or contingencies.

21 Related party transactions

During the year parent company made sales of £5,027 (2019 - £5,972) were made on normal trading terms to its subsidiary. As at 30 Sep 2020, £721 (2019 - £561) was due from its subsidiary. Parent company made purchases of £606,895 (2019 - £582,856) were made on normal trading terms from its subsidiary. As at 30 Sep 2020, £143,524 (2019 - £162,349) was owed to its subsidiary.

Joint venture and associated companies

The following transactions took place between the group and its associate company during the year:

	2020	2019
	£	£
Loans / (repayments) made during the year	<u>(60,000)</u>	<u>(65,000)</u>

The following receivable balances relating to associate companies were included in the consolidated balance sheet.

	2020	2019
	£	£
Other debtors	<u>1,972,494</u>	<u>1,972,494</u>

22 Controlling party

The ultimate controlling party of the group is Mr P Cusack by virtue of his shareholding of 85% shares of P.F. Cusack (Tools Supplies) Limited.

23 Presentation currency

The financial statements are presented in Sterling.

24 Legal form of entity and country of incorporation

P.F. Cusack (Tools Supplies) Limited is a private company limited by shares and incorporated in England.

25 Principal place of business

The address of the company's principal place of business is:

Unit 1 Dundee Way
Enfield
EN3 7SX