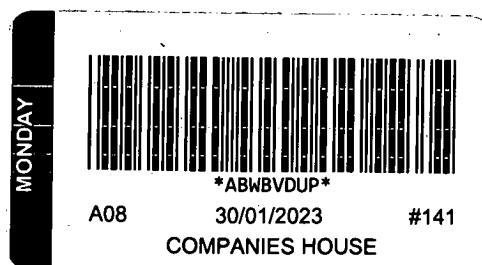


Company Registration No. 08475310

Ashurst Commercial Services Limited

Annual Report and Financial Statements

For the year ended 30 April 2022



Ashurst Commercial Services Limited

Annual report and financial statements for the year ended 30 April 2022

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Ashurst Commercial Services Limited

Annual report and financial statements for the year ended 30 April 2022

Officers and professional advisers

Directors

M B Polson
L N Dunne (appointed 31 July 2021)
M A Herbert
P A Jenkins
A M Pearson
R E Harris (resigned 31 July 2021)

Company Secretary

L N Dunne (appointed 31 July 2021)
R E Harris (resigned 31 July 2021)

Registered Office

London Fruit & Wool Exchange
1 Duval Square
London
E1 6PW

Bankers

National Westminster Bank Plc
15 Bishopgate
London
EC2P 2AP

Solicitors

Ashurst LLP
London Fruit & Wool Exchange
1 Duval Square
London
E1 6PW

Auditor

Deloitte LLP
Statutory Auditor
2 New Street Square
London
EC4A 3BZ

Ashurst Commercial Services Limited

Strategic report

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

Principal activity

The company provides personnel and associated services to Ashurst LLP.

The results for the period are set out on page 9. No changes to the business took place during the period or are planned for the future.

Structure and registered office

Ashurst Commercial Services Limited is a private company limited by shares and is registered in England and Wales.

The registered office is given on page 1.

Review of activities and future prospects

Ashurst Commercial Services Limited operates as a service company for Ashurst LLP. Performance of the company is governed by the agreed terms of service with Ashurst LLP. For this reason, the company's directors believe that further key performance indicators are not necessary or appropriate for an understanding of the development, performance or position of the business.

The company expects to provide an increased number of personnel and associated services to Ashurst LLP in the coming year as Ashurst LLP continues to seek efficient staffing solutions.

Principal risks and uncertainties

The company's activities expose it to a number of financial risks including liquidity risk. The company did not hold any derivative financial instruments during the year or at the year end.

The company's management policy regarding liquidity risk is to ensure that it always has sufficient committed facilities available to meet its foreseeable needs.

Approved by the Board of Directors
and signed on behalf of the Board



M B Polson
Director

12 January 2023

Ashurst Commercial Services Limited

Directors' report

The directors present their annual report and the audited financial statements of Ashurst Commercial Services Limited ("the company") for the year ended 30 April 2022.

Results

The profit on ordinary activities for the year after taxation amounted to £1,097,567 (2021: £876,840).

The results for the year are set out on page 9. A review of activities and future prospects is set out on page 2.

Dividends

A dividend totalling £876,840 was paid during the year (2021: £746,785).

Going concern

The directors have considered the going concern assumption, and as set out in note 1 to the financial statements have a reasonable expectation that the company will operate within its facilities for the foreseeable future, being a period of twelve months from the date of approval of these financial statements. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

Directors

The directors who served during the year and thereafter unless otherwise stated were:

M B Polson	
L N Dunne	(appointed 31 July 2021)
M A Herbert	
P A Jenkins	
A M Pearson	
R E Harris	(resigned 31 July 2021)

Disabled employees

It is the policy of the company to consider fully, applications for employment of disabled persons. In the event of employees becoming disabled, every effort is made to ensure that their employment with the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

Employee consultation

The company places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the company. This is achieved through formal and informal meetings and the intranet.

Employees of the company are included in all activities and opportunities offered by the Ashurst LLP group. This includes regular surveys to gather data on views about the group's activities and operating matters. Any actions and results from these surveys are subsequently communicated to employees.

The group has an ongoing and continuously developing programme of learning and development opportunities, which is available to all employees. New events and opportunities are regularly communicated to all employees to encourage professional and personal development. The programme includes a wide range of technical courses as well as soft skills workshops. The group also regularly invests in training on mental health as well as other topics such as unconscious bias to ensure that the group's environment is supportive and inclusive.

Fostering a diverse and inclusive culture is key to Ashurst's vision of being the most progressive global law firm. It allows the group to offer exceptional service to clients and create a great place for our people to work. The group's diversity focus groups include Social Inclusion and Mobility, LGBTI+, Multiculturalism & Disability and Resilience.

Ashurst Commercial Services Limited

Directors' report (continued)

Disclosure of information to the auditor

Each of the persons who is a director of the company at the date when this report was approved confirms 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 they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

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

A resolution to re-appoint Deloitte LLP as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



M B Polson
Director

12 January 2023

London Fruit & Wool Exchange
1 Duval Square
London
E1 6PW

Ashurst Commercial Services Limited

Directors' responsibilities statement

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 and then apply them consistently;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Ashurst Commercial Services Limited

Independent auditor's report to the members of Ashurst Commercial Services Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Ashurst Commercial Services Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 16.

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).

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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Ashurst Commercial Services Limited

Independent auditor's report to the members of Ashurst Commercial Services Limited (continued)

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's compliance with Solicitors Regulation Authority requirements and environmental regulations.

We discussed among the audit engagement team including relevant internal specialists such as IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Ashurst Commercial Services Limited

Independent auditor's report to the members of Ashurst Commercial Services Limited (continued)

Report on other legal and regulatory requirements

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 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.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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
- 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.

We have nothing to report in respect of these matters.

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.



Jeremy Black ACA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London, United Kingdom

12 January 2023

Ashurst Commercial Services Limited

Profit and loss account For the year ended 30 April 2022

	Notes	2022 £	2021 £
Turnover	1	31,059,666	23,820,442
Staff costs	3	(23,081,879)	(19,186,114)
Operating expenses		(6,498,756)	(3,500,021)
Operating profit and profit before taxation	4	1,479,031	1,134,307
Tax on profit	5	(381,464)	(257,467)
Profit for the financial year		<u>1,097,567</u>	<u>876,840</u>

All results are derived from continuing operations.

The company has no items of other comprehensive income for the current or preceding financial years other than the results above. Therefore no separate statement of comprehensive income has been presented.

Ashurst Commercial Services Limited

Balance sheet As at 30 April 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	6	3,046,076	462,193
Current assets			
Debtors	7	2,652,832	3,606,029
Creditors: amounts falling due within one year	8	(4,077,811)	(3,191,381)
Net current (liabilities) / assets		(1,424,979)	414,648
Total assets less current (liabilities) / assets		1,621,097	876,841
Creditors: amounts falling due after more than one year	9	(523,529)	-
Total net assets		1,097,568	876,841
Capital and reserves			
Called up share capital	11	1	1
Profit and loss account	12	1,097,567	876,840
Total shareholder's funds	12	1,097,568	876,841

These financial statements of Ashurst Commercial Services Limited (company no. 08475310) were approved by the Board of Directors and authorised for issue on 12 January 2023.

Signed on behalf of the Board of Directors



M B Polson
Director

Ashurst Commercial Services Limited

Statement of changes in equity For the year ended 30 April 2022

	Notes	Called up share capital £	Profit and loss account £	Total £
At 30 April 2020		1	746,785	746,786
Profit for the financial year		-	876,840	876,840
Dividends paid on equity shares	13	-	(746,785)	(746,785)
At 30 April 2021		1	876,840	876,841
Profit for the financial year		-	1,097,567	1,097,567
Dividends paid on equity shares	13	-	(876,840)	(876,840)
At 30 April 2022		1	1,097,567	1,097,568

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below and applied consistently in both years.

General information and basis of accounting

Ashurst Commercial Services Limited is a company incorporated in the United Kingdom under the Companies Act. The company is a private company limited by shares and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the Directors' report on page 3.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of the company is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The company is consolidated in the financial statements of its parent Ashurst LLP which are available to the public. Exemptions have been taken in these separate company financial statements in relation to financial instruments, related party transactions, remuneration of key management personnel and the presentation of a cash flow statement.

Going concern

The directors have taken into account possible changes in trading performance in light of current economic conditions and have reviewed the forecasts for the Ashurst LLP group for the foreseeable future. After making enquiries and considering the above facts, the directors are satisfied that, at the time of approving the financial statements, which extends out for more than 12 months after the date of signing of the accounts, it is appropriate to adopt the going concern basis in preparing the financial statements.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	The shorter of the period of the lease and the expected use of the property
Furniture	Four years
Computer equipment	Up to seven years
Office equipment	Four years

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Financial instruments (continued)

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate, where this effect is deemed material.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Turnover

Turnover comprises fees chargeable to Ashurst LLP for services excluding VAT, all of which arose in the United Kingdom. Turnover is recognised when the company obtains a right to consideration under the terms of the service agreement.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating to revenue. Grants relating to revenue are recognised in income over the period in which the related costs are recognised.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

1. Accounting policies (continued)

Pension costs

The company makes contributions to employees' individual pension plans as applicable. The amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of significant timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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 is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

Exchange differences are recognised in profit or loss in the period in which they arise.

Leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2. Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. There are no critical accounting judgements or key sources of estimation uncertainty.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

3. Staff costs

	2022 £	2021 £
Wages and salaries	17,765,971	15,679,856
Social security costs	1,884,905	1,603,011
Other costs (including pension costs)	3,431,003	1,903,247
	<u>23,081,879</u>	<u>19,186,114</u>

The pension costs relate to defined contribution pension schemes. The total expense charged to profit or loss in the period ended 30 April 2022 was £812,035 (2021: £620,167). The contributions outstanding and included within accruals at the year end amounted to £153,923 (2021: £131,625).

Monthly average number of people employed during the period (excluding members)

	2022 No.	2021 No.
Monthly average number of persons employed:		
Fee earning staff	73	86
Other staff	366	334
	<u>439</u>	<u>420</u>

None of the directors received any emoluments for services to the company during the current financial year.

4. Operating profit

Operating profit is stated after charging:

	2022 £	2021 £
Depreciation (see note 6)	468,799	321,831
Operating lease rentals:		
Land and buildings	1,086,370	1,028,142
Fees payable to the company's auditor for the audit of the company's financial statements	<u>5,000</u>	<u>5,000</u>

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed because the consolidated financial statements of the parent company disclose such fees on a consolidated basis.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

5. Tax charge on profit

The tax charge comprises:

	2022 £	2021 £
Total current tax – UK corporation tax	191,234	290,323
Deferred tax		
Origination and reversal of timing differences	162,644	(32,856)
Change in tax rate	27,586	-
Total deferred tax	190,230	(32,856)
Total tax on profit	381,464	257,467

The standard rate of tax applied to reported profit on ordinary activities is 19 per cent (2021: 19 per cent).

During the year beginning 1 May 2022, the net reversal of deferred tax assets and liabilities is expected to increase the corporation tax charge for the year by £120,000. This is due to the timing difference arising on certain expenditure.

The difference between the total tax charge shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit before tax is as follows:

	2022 £	2021 £
Profit before tax	1,479,031	1,134,307
Tax on profit at standard UK corporate tax rate of 19 per cent (2021: 19 per cent)	281,016	215,518
Effects of:		
- Expenses not deductible for tax purposes	72,862	41,949
- Change in deferred tax rate	27,586	-
Total tax charge for period	381,464	257,467

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

6. Tangible fixed assets

	Leasehold improve- ments £	Furniture £	Computer equipment £	Office equipment £	Total £
Cost					
At 1 May 2021	977,909	783,366	1,084,860	53,000	2,899,135
Additions	1,903,882	442,338	600,613	105,849	3,052,682
At 30 April 2022	<u>2,881,791</u>	<u>1,225,704</u>	<u>1,685,473</u>	<u>158,849</u>	<u>5,951,817</u>
Accumulated depreciation					
At 1 May 2021	902,795	669,864	811,283	53,000	2,436,942
Charge for the year	113,985	88,997	250,381	15,436	468,799
At 30 April 2022	<u>1,016,780</u>	<u>758,861</u>	<u>1,061,664</u>	<u>68,436</u>	<u>2,905,741</u>
Net book value					
At 30 April 2022	<u>1,865,011</u>	<u>466,843</u>	<u>623,809</u>	<u>90,413</u>	<u>3,046,076</u>
At 30 April 2021	<u>75,114</u>	<u>113,502</u>	<u>273,577</u>	<u>-</u>	<u>462,193</u>

7. Debtors

	2022 £	2021 £
Amounts due from parent undertaking	2,151,276	2,842,237
Other debtors	6,581	12,574
Deferred tax asset (Note 10)	-	87,356
Prepayments	494,975	663,862
	<u>2,652,832</u>	<u>3,606,029</u>

All debtors are due within one year.

The amounts due from the parent undertaking are unsecured and non-interest bearing and are repayable on demand.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

8. Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors		
- Social security and PAYE	519,388	422,734
- Corporation tax	21,686	130,605
- Other Creditors	70,589	-
Accruals and deferred income	3,351,438	2,638,042
Deferred tax liability (Note 10)	114,710	-
	<u>4,077,811</u>	<u>3,191,381</u>

9. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Other creditors		
Between two and five years	282,353	-
After five years	241,176	-
	<u>523,529</u>	<u>-</u>
Other creditors		

The amounts within other creditors relates to lease incentives received.

10. Deferred taxation

Deferred tax (liability) / asset is provided as follows:

	2022 £	2021 £
Fixed assets	(153,191)	62,347
Other short term timing differences	38,481	25,009
	<u>(114,710)</u>	<u>87,356</u>

Reconciliation of movement in year

	£
At 1 May 2021	87,356
Timing differences:	
- Capital allowances	(215,538)
- Other	13,472
	<u>(114,710)</u>
At 30 April 2022	

Deferred tax assets and liabilities are offset only where the Company has a legally enforceable right to do so and where the assets and liabilities relate to income taxes levied by the same taxation authority.

Ashurst Commercial Services Limited

Notes to the financial statements For the year ended 30 April 2022 (continued)

11. Called up share capital

	2022 £	2021 £
Called up, allotted and fully paid:		
1 ordinary share of £1	1	1

12. Movements in reserves and shareholders funds

	Called up share capital £	Profit and loss account £	Shareholder's funds £
At start of year	1	876,840	876,841
Dividends paid	-	(876,840)	(876,840)
Retained profit	-	1,097,567	1,097,567
At end of year	1	1,097,567	1,097,568

13. Dividends

A final dividend totalling £876,840 per share was paid during the year (2021: £746,785 per share).

14. Financial commitments

Total future minimum lease payments under non-cancellable operating leases in respect of land and buildings are as follows:

	2022 £	2021 £
Within one year	1,090,883	1,085,909
Between one and five years	4,363,532	4,363,532
After five years	3,317,561	4,408,444
	8,771,976	9,857,886

15. Related party transactions

The company has taken advantage of the exemptions under FRS 102 – 33.1A, Related Party Disclosures not to disclose transactions with other wholly-owned entities in the Ashurst LLP group.

16. Ultimate controlling party

The immediate and ultimate parent company and the ultimate controlling party of the company is Ashurst LLP. The only group in which the results of the company are consolidated is that headed by Ashurst LLP. Copies of the group financial statements can be obtained from London Fruit & Wool Exchange, 1 Duval Square, London E1 6PW, which is the registered address.