COMPANY REGISTRATION NUMBER: 00112990

Jepson & Co Limited

Financial Statements

30 June 2021

Jepson & Co Limited

Financial Statements

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Jepson & Co Limited

Officers and Professional Advisers

The board of directors	Mr PG Jepson Mr J Hartley
Registered office	44 East Bank Road Sheffield United Kingdom S2 3QN
Auditor	Allen, West and Foster Limited Chartered Accountants & statutory auditor Omega Court 364-366 Cemetery Road Sheffield S11 8FT

Jepson & Co Limited

Strategic Report

Year ended 30 June 2021

The directors present their strategic report for the year ended 30 June 2021. Review of the business The principal activity of the company is the manufacture and sale of vehicle number plates and signs. The profit before tax of the company shows consistent profitability in monetary terms over the last two years. Principal Risks and uncertainties The company operates in a mature and price sensitive environment and seeks to mitigate competitive risk by striving to provide quality, service and value into the market place. The coronavirus pandemic has provided both challenges and opportunities, with the company able to take advantage of its existing processes and technologies to supply products aimed at limiting the spread of the virus. The company has maintained sufficient reserves and cash to ensure it is in a strong position and that there are no issues surrounding its ability to continue as a going concern. Future developments Research and development activities have been ongoing to help the company maintain their competitive edge. Results and performance The group has continued to endeavour to position itself to deliver to its customers the best products, service and value for money by continually innovating and improving its products, service, planning, processes and people. The business environment in which the company operates has been difficult during this year with price increases in raw materials affecting the gross margin. In addition, automotive demand was significantly suppressed during the last financial year from March to June 2020 due to lockdown restrictions resulting from the coronavirus pandemic. Whilst some restrictions have been in place during the current financial year, results have been encouraging and returned to levels seen pre-pandemic. By maintaining a strong balance sheet the Company is still able to evaluate a variety of strategic options and opportunities as they arise. Key performance indicators of the company Performance indicators are provided by the results of the company for the year, as set out on pages 12 to 15. The results show a profit on ordinary activities before tax of £1,081k (2020 - £214k) and a net worth of £11.178m (2020 - £10.419m) on the balance sheet, with in excess of £6.9m in cash (2020 - £6.3m in cash).

This report was approved by the board of directors on 23 February 2022 and signed on behalf of the board by:

Mr PG Jepson

Director

Registered office:

44 East Bank Road

Sheffield

United Kingdom

S2 3QN

Jepson & Co Limited

Directors' Report

Year ended 30 June 2021

The directors present their report and the financial statements of the company for the year ended 30 June 2021 .

Principal activities

The principal activity of the company during the year was the manufacture and sale of vehicle number plates and signs.

Directors

The directors who served the company during the year were as follows:

Mr PG Jepson

Mr J Hartley

Dividends

Dividends paid during the year are detailed in note 15 to the accounts. A further dividend has not yet been recommended.

Other matters

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The 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.

Disclosure of information in the strategic report

The company has chosen to include the disclosures about future developments within the strategic report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent; - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. The 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. Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and - they have taken all 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 report was approved by the board of directors on 23 February 2022 and signed on behalf of the board by:

Mr PG Jepson

Director

Registered office:

44 East Bank Road
Sheffield
United Kingdom
S2 3QN

Independent Auditor's Report to the Members of Jepson & Co Limited

Year ended 30 June 2021

Opinion

We have audited the financial statements of Jepson & Co Limited (the 'company') for the year ended 30 June 2021 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity and the related notes, 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 2021 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: - adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or - the financial statements are not in agreement with the accounting records and returns; or - certain disclosures of directors' remuneration specified by law are not made; or - we have not received all the information and explanations we require for our audit.

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. 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: Identifying and assessing potential risks related to irregularities In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following: Audit risks identified - the nature of the industry and sector, control environment and business performance; - results of our enquiries of management, about their own identification and assessment of the risks of irregularities; - any matters we identified having made enquiries about the documentation of their policies and procedures relating to: - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance; - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in relation to income recognition, banking procedures and segregation of duties. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, UK Corporate Governance Code and local tax legislation. In addition, we considered provisions of other laws and regulations that 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. Audit response to risks identified As a result of performing the above, we identified income recognition, stock valuation and provisions as key audit matters related to the potential risk of fraud. In order to mitigate the risk identified, enquiries were made of key management personnel as to the processes surrounding the recording of sales and and cut-off tests were conducted to ensure no issues were apparent. As well as attendance at the physical stock take at the year end, stock pricing and net realisable values tests were conducted and observation and enquiry used to ascertain the suitability of provisions included. No audit issues were identified during these procedures. In addressing the risk of fraud through management override of controls, our procedures included reviewing and testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. It was clear from the work conducted throughout the audit that there had been no management override of controls and that each transaction had been correctly and properly recorded as appropriate. We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or noncompliance with laws and regulations throughout the audit. As part of an audit in accordance with ISAs (UK), we exercise professional judgment 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 for 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 internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - 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 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 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 events in a manner that achieves fair presentation. 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. 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.

Stephen Allen ACA FCCA
(Senior Statutory Auditor)
For and on behalf of
Allen, West and Foster Limited
Chartered Accountants & statutory auditor
Omega Court
364-366 Cemetery Road
Sheffield
S11 8FT
23 February 2022

Jepson & Co Limited

Statement of Comprehensive Income

Year ended 30 June 2021

	Note	2021 £	2020 £
Turnover	4	**11,124,819**	9,151,540
Cost of sales		**8,143,170**	6,895,910
Gross profit		**2,981,649**	2,255,630
Administrative expenses		**2,152,055**	2,238,208
Other operating income	5	**147,129**	199,785
Operating profit	6	**976,723**	217,207
Gain/(loss) on financial assets at fair value through profit or loss		**78,345**	(62,957)
Other interest receivable and similar income	10	**26,020**	59,843
Profit before taxation		**1,081,088**	214,093
Tax on profit	11	**119,005**	20,183
Profit for the financial year and total comprehensive income		**962,083**	193,910

All the activities of the company are from continuing operations.

Jepson & Co Limited

Statement of Financial Position

30 June 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	14	**2,180,411**	2,369,415
Investments	15	**4,394,260**	4,394,260
		6,574,671	6,763,675
Current assets			
Stocks	16	**523,268**	691,377
Debtors	17	**2,102,566**	1,837,613
Investments	18	**527,316**	443,249
Cash at bank and in hand		**6,936,970**	6,362,587
		10,090,120	9,334,826
Creditors: amounts falling due within one year	19	**5,425,576**	5,572,397
Net current assets		**4,664,544**	3,762,429
Total assets less current liabilities		**11,239,215**	10,526,104
Provisions	20	**61,624**	107,151
Net assets		**11,177,591**	10,418,953
Capital and reserves			
Called up share capital	24	**10,060**	10,060
Revaluation reserve	25	**299,362**	313,212
Capital redemption reserve	25	**33,609**	33,609
Other reserves, including the fair value reserve	25	**525,496**	525,496
Profit and loss account	25	**10,309,064**	9,536,576
Shareholders funds		**11,177,591**	10,418,953

These financial statements were approved by the board of directors and authorised for issue on 23 February 2022 , and are signed on behalf of the board by:

Mr PG Jepson

Director

Company registration number: 00112990

Jepson & Co Limited

Statement of Changes in Equity

Year ended 30 June 2021

		Called up share capital	Revaluation reserve	Capital redemption reserve	Other reserves, including the fair value reserve	Profit and loss account	**Total**
		£	£	£	£	£	**£**
At 1 July 2019		10,060	332,713	33,609	531,123	9,415,685	10,323,190
Profit for the year						193,910	193,910
Other comprehensive income for the year:							
Reclassification from revaluation reserve to profit and loss account		–	(19,501)	–	–	19,501	–
Reclassification from fair value reserve to profit and loss account		–	–	–	(5,627)	5,627	–
Total comprehensive income for the year		–	(19,501)	–	(5,627)	219,038	193,910
Dividends paid and payable	**12**	–	–	–	–	(98,147)	(98,147)
Total investments by and distributions to owners		–	–	–	–	(98,147)	(98,147)
At 30 June 2020		10,060	313,212	33,609	525,496	9,536,576	**10,418,953**
Profit for the year						962,083	**962,083**
Other comprehensive income for the year:							
Reclassification from revaluation reserve to profit and loss account		–	(13,850)	–	–	13,850	–
Total comprehensive income for the year		–	(13,850)	–	–	975,933	**962,083**
Dividends paid and payable	**12**	–	–	–	–	(203,445)	**(203,445)**
Total investments by and distributions to owners		–	–	–	–	(203,445)	**(203,445)**
At 30 June 2021		10,060	299,362	33,609	525,496	10,309,064	**11,177,591**

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 44 East Bank Road, Sheffield, S2 3QN, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Employee benefits

The company provides a range of benefits to employees, including annual bonus arrangements and paid holidays. The short term benefits such as holiday pay are recognised as an expense in the period in which the service is received. Bonus costs are recognised in the profit and loss account in the period to which they relate.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the group financial statements of Jepson Holdings Limited which can be obtained from the registered office. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102: (b) No cash flow statement has been presented for the company.

Consolidation

The entity has taken advantage of the exemption from preparing consolidated financial statements contained in Section 400 of the Companies Act 2006 on the basis that it is a subsidiary undertaking and its immediate parent undertaking is established under the law of an EEA State and it is included within the consolidation of its parent undertaking.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably. Rental income generated from the investment properties is included within the accounts on an accruals basis.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Lease income is recognised in profit or loss on a straight line basis over the lease term. The aggregate cost of lease incentives are recognised as a reduction to income over the lease term on a straight-line basis. Costs, including depreciation, incurred in earning the lease income are recognised as an expense. Any initial direct costs incurred in negotiating and arranging the operating lease are added to the carrying amount of the lease and recognised as an expense over the lease term on the same basis as the lease income.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business. Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Amortisation

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

Goodwill	-	20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Freehold property	-	4% straight line
Plant and machinery	-	15% reducing balance and 33.3% straight line
Motor vehicles	-	25% reducing balance
Equipment	-	20% and 33.3% straight line

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss.

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses. Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value recognised in other comprehensive income/profit or loss. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted. Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Sale of goods	**11,124,819**	9,151,540

The turnover is attributable to the one principal activity of the company. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

	2021	2020
	£	£
United Kingdom	**8,586,054**	7,464,255
Overseas	**2,538,765**	1,687,285
	11,124,819	9,151,540

5. Other operating income

	2021	2020
	£	£
Rental income	**84,060**	67,730
Management charges receivable	**20,000**	20,000
Other operating income	**43,069**	112,055
	147,129	199,785

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Depreciation of tangible assets	**191,276**	292,905
Impairment of tangible assets recognised in:		
Administrative expenses	**–**	84,394
(Gains)/loss on disposal of tangible assets	**(2,456)**	877
Impairment of trade debtors	**12,167**	41,434
Foreign exchange differences	**26,636**	(9,090)

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	**17,000**	17,000

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
	No.	No.
Production staff	**36**	45
Administrative staff	**27**	28
Management staff	**2**	2
	65	75

The aggregate payroll costs incurred during the year, relating to the above, were:

	2021	2020
	£	£
Wages and salaries	**1,994,323**	1,821,784
Social security costs	**207,888**	186,196
Other pension costs	**76,629**	54,049
	2,278,840	2,062,029

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	**95,340**	121,071
Company contributions to defined contribution pension plans	**28,825**	5,204
	124,165	126,275

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	No.	No.
Defined contribution plans	**2**	2

10. Other interest receivable and similar income

	2021	2020
	£	£
Interest on loans and receivables	**23,616**	24,110
Interest on bank deposits	**2,404**	35,733
	26,020	59,843

11. Tax on profit

Major components of tax expense

	2021	2020
	£	£
Current tax:		
UK current tax expense	**164,532**	8,905
Deferred tax:		
Origination and reversal of timing differences	**(45,527)**	11,278
Tax on profit	**119,005**	20,183

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2020: lower than) the standard rate of corporation tax in the UK of 19 % (2020: 19 %).

	2021	2020
	£	£
Profit on ordinary activities before taxation	**1,081,088**	214,093
Profit on ordinary activities by rate of tax	**205,407**	40,678
Adjustment to tax charge in respect of prior periods	**(33,235)**	–
Other tax adjustment to increase/(decrease) tax liability	**(53,167)**	(20,495)
Tax on profit	**119,005**	20,183

12. Dividends

	2021	2020
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	**203,445**	98,147

13. Intangible assets

	Goodwill
	£
Cost	
At 1 July 2020 and 30 June 2021	**575,435**
Amortisation	
At 1 July 2020 and 30 June 2021	**575,435**
Carrying amount	
At 30 June 2021	**–**
At 30 June 2020	–

14. Tangible assets

	Freehold property	Plant and machinery	Motor vehicles	Equipment	Total
	£	£	£	£	£
Cost					
At 1 July 2020	2,138,091	3,376,476	407,763	82,683	**6,005,013**
Additions	–	6,716	–	–	**6,716**
Disposals	–	–	(24,969)	–	**(24,969)**
At 30 June 2021	2,138,091	3,383,192	382,794	82,683	**5,986,760**
Depreciation					
At 1 July 2020	151,165	3,176,107	225,643	82,683	**3,635,598**
Charge for the year	32,364	114,492	44,420	–	**191,276**
Disposals	–	–	(20,525)	–	**(20,525)**
At 30 June 2021	183,529	3,290,599	249,538	82,683	**3,806,349**
Carrying amount					
At 30 June 2021	1,954,562	92,593	133,256	–	**2,180,411**
At 30 June 2020	1,986,926	200,369	182,120	–	2,369,415

Included within the above is investment property as follows:

	£
At 1 July 2020 and 30 June 2021	**1,329,000**

The freehold land and buildings were valued on 29 July 2015 on an open market basis by SMC Chartered Surveyors by a FRICS. The investment properties of the company were valued on an open market basis as follows:- 5th November 2014, Unit 2 Meynell Road, Darlington, DL3 0YQ by Carver Commercial Chartered Surveyors and Property Consultants. 22nd July 2014, Unit 1, Gateway Business Park, London, SE28 0EZ by Hindwoods Chartered Surveyors. 20th February 2015, Flat 6, Golden Gates, 1 Ferry Way, Sandbanks, Poole, BH13 7QN by Smith Robinson Higley Chartered Surveyors. 20th October 2014, 39A and 39B Pine Road, Winton, Bournemouth, BH9 1LT by Nettleship Sawyer Chartered Surveyors. 28th August 2014, 1022 Dumbarton Road, Whiteinch, Glasgow, G14 9UL. The valuations were updated by the directors at 30 June 2021 to reflect changes in the open market value of the properties held.

Tangible assets held at valuation

The cost of the freehold property (excluding investment property) is comprising the following:-

	2021
	£
Original cost	349,193
Valuation in 2002	56,632
Valuation in 2010	402,176
Valuation in 2015	(20,000)
Additions in 2020	21,090
Total	809,091

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Freehold property	Plant and machinery	Motor vehicles	Equipment	**Total**
	£	£	£	£	**£**
At 30 June 2021					
Aggregate cost	1,172,913	3,383,192	382,794	82,683	**5,021,582**
Aggregate depreciation	(293,662)	(3,290,599)	(249,538)	(82,683)	**(3,916,482)**
Carrying value	879,251	92,593	133,256		**1,105,100**
At 30 June 2020					
Aggregate cost	1,172,913	3,376,476	407,763	82,683	5,039,835
Aggregate depreciation	(275,148)	(3,176,107)	(225,643)	(82,683)	(3,759,581)
Carrying value	897,765	200,369	182,120	–	1,280,254

15. Investments

	Shares in group undertakings
	£
Cost	
At 1 July 2020 and 30 June 2021	**4,394,260**
Impairment	
At 1 July 2020 and 30 June 2021	–
Carrying amount	
At 30 June 2021	**4,394,260**
At 30 June 2020	4,394,260

The company owns 100% of the issued share capital of National Numbers Ltd, 50% of Degron Ltd and 99% of Kenric Plastics Ltd

Aggregate capital and reserves

	2021	2020
	£	£
National Numbers Ltd	**7,176,531**	6,348,485
Degron Ltd (Dormant)	**225,466**	225,466
Kenric Plastics Ltd (Dormant)	**200**	200

Profit and (loss) for the year

	2021	2020
	£	£
National Numbers Ltd	**828,046**	472,597

16. Stocks

	2021	2020
	£	£
Raw materials and consumables	**246,955**	292,747
Finished goods and goods for resale	**276,313**	398,630
	523,268	691,377

17. Debtors

	2021	2020
	£	£
Trade debtors	**2,018,354**	1,644,497
Prepayments and accrued income	**56,777**	67,316
Other debtors	**27,435**	125,800
	2,102,566	1,837,613

18. Investments

	2021	2020
	£	£
Investments in bonds	**527,316**	443,249

The bonds are included at the market value at the year end date with the fair value adjustment being made within the statement of comprehensive income figures each year.

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	**753,104**	800,708
Amounts owed to group undertakings	**3,944,227**	4,447,325
Accruals and deferred income	**400,223**	200,769
Corporation tax	**164,532**	8,921
Social security and other taxes	**135,432**	87,297
Other creditors	**28,058**	27,377
	5,425,576	5,572,397

20. Provisions

	Deferred tax (note 21)
	£
At 1 July 2020	**107,151**
Charge against provision	**(45,527)**
At 30 June 2021	**61,624**

21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in provisions (note 20)	**61,624**	107,151

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	**(45,527)**	–
Revaluation of tangible assets	**53,686**	53,686
Fair value adjustment of investment property	**53,465**	53,465
	61,624	107,151

22. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 76,629 (2020: £ 54,049).

23. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2021	2020
	£	£
Financial assets measured at fair value through profit or loss		
Financial assets measured at fair value through profit or loss	**13,753,134**	13,602,961
Financial liabilities measured at fair value through profit or loss		
Financial liabilities measured at fair value through profit or loss	**5,425,576**	5,572,397

24. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £ 1 each	**10,000**	**10,000**	10,000	10,000
Ordinary Class A shares of £ 1 each	**10**	**10**	10	10
Ordinary Class B shares of £ 1 each	**40**	**40**	40	40
Ordinary Class C shares of £ 1 each	**10**	**10**	10	10
	10,060	**10,060**	10,060	10,060

25. Reserves

Revaluation reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in other comprehensive income (freehold property). The value shown within the reserve is net of the applicable deferred taxation provision. Fair value reserve - This reserve records the value of asset revaluations and fair value movements on assets recognised in the statement of comprehensive income (investment property). The value shown within the reserve is net of the applicable deferred taxation provision. Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company. Profit and loss account - This reserve records retained earnings and accumulated losses.

26. Related party transactions

The company has received management charges during the financial year of £20,000 (2020: £20,000) from National Numbers Limited, a wholly owned subsidiary of the company.

27. Controlling party

The controlling party is Jepson Holdings Limited , a private company incorporated in England and Wales. The address of the registered office is 364-366 Cemetery Road, Sheffield, S11 8FT, United Kingdom. Jepson & Co Limited 's accounts are included within the consolidation for Jepson Holdings Limited and copies are available from the registered office.

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