

Company Registration No. 00435262 (England and Wales)

MINTON, TREHARNE & DAVIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 MARCH 2021

MINTON, TREHARNE & DAVIES LIMITED

COMPANY INFORMATION

Directors	Mr J E Minton Mr R J Minton Mr C J Minton
Secretary	Mrs J A Minton
Company number	00435262
Registered office	Longwood Drive Forest Farm Industrial Estate Cardiff South Glamorgan United Kingdom CF14 7HY
Auditor	Azets Audit Services Ty Derw Lime Tree Court Cardiff Gate Business Park Cardiff United Kingdom CF23 8AB

MINTON, TREHARNE & DAVIES LIMITED

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MINTON, TREHARNE & DAVIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 29 MARCH 2021

The directors present the strategic report for the year ended 29 March 2021.

Fair review of the business

The Company continues to achieve its strategy of growth through diversification with much more emphasis on quality of service.

Turnover in the year for the group has decreased from £16.63m to £12.43m. The decrease in turnover is a direct consequence of the Covid 19 Pandemic and the restrictions imposed on travel. Despite the decrease in performance, the group is optimistic regarding the future. It is believed that the relocation of the business to a purpose built facility, the policy of providing a superior service to customers, coupled with the continuing investment in technology (aiming to provide greater transparency will keep the group at the forefront of the industry.

The financial statements have been prepared on a going concern basis which assumes the group will continue in operational existence for the foreseeable future. In making their assessment the directors have reviewed the balance sheet, the likely future cash flows of the business and have considered facilities that are in place at the date of signing the report.

As a consequence of the measures taken by the UK Government to manage the impact of COVID-19, the day to day operations of the business have seen some disruption. It is difficult to evaluate all of the potential implications of these measures on the group's trade, customers, suppliers and the wider economy. However, based on the information that is currently known, the directors have taken steps to manage the company's cash flow requirements during this period of uncertainty.

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Principal risks and uncertainties

Business Continuity The disaster recovery plan continues to be reviewed and strengthened.

Competition The Company continues to monitor the performance of its main competitors.

Interest Rate Risk The Company finances its operations through a mixture of retained profits, finance agreements and bank borrowings. The Company's exposure is managed by the use of fixed charge lease agreements and variable rate bank facilities.

Liquidity risk The Company utilises appropriately termed debt finance that is designed to ensure that it has sufficient funds for operations.

Credit risk The Company has robust credit controls in place to mitigate the risk of bad debts.

Key Performance Indicators

	2021	2020	Variance
Revenue	12,429,026	16,629,434	(4,200,408)
Cost of Sales	8,665,990	9,306,979	(640,989)
Gross Profit	3,763,036	7,322,445	(3,559,409)
Gross Profit %	30.3%	44.0%	
Administrative expenses	4,565,012	5,311,597	(746,585)
Other operating income	1,052,594	579,985	472,609
Operating Profit	250,618	2,446,398	(2,340,215)
Operating Profit %	2.0%	15.6%	

MINTON, TREHARNE & DAVIES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

On behalf of the board

Mr J E Minton

Director

17 June 2022

MINTON, TREHARNE & DAVIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 29 MARCH 2021

The directors present their annual report and financial statements for the year ended 29 March 2021.

Principal activities

The principal activity of the company during the year were research and consulting scientists, analytical and testing laboratories, product development and exploitation.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J E Minton
Mr R J Minton
Mr C J Minton

Auditor

The auditor, Azets Audit Services is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Mr J E Minton
Director

17 June 2022

MINTON, TREHARNE & DAVIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 29 MARCH 2021

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). 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 company, and of the profit or loss of the group 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

MINTON, TREHARNE & DAVIES LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MINTON, TREHARNE & DAVIES LIMITED

Opinion

We have audited the financial statements of Minton, Treharne & Davies Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 29 March 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 group's and the parent company's affairs as at 29 March 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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 group's and parent 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.

MINTON, TREHARNE & DAVIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MINTON, TREHARNE & DAVIES LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our 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 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 directors' report.

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

- adequate accounting records have not been kept 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 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 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 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

MINTON, TREHARNE & DAVIES LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF MINTON, TREHARNE & DAVIES LIMITED

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 and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we 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. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. 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.

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.

Craig Yearsley FCCA (Senior Statutory Auditor)
For and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

17 June 2022

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

MINTON, TREHARNE & DAVIES LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 29 MARCH 2021

	Notes	2021 £	2020 £
Turnover	2	12,429,026	16,629,424
Cost of sales		(8,665,990)	(9,306,979)
Gross profit		3,763,036	7,322,445
Administrative expenses		(5,395,100)	(5,311,597)
Other operating income		1,052,594	579,985
Operating (loss)/profit	3	(579,470)	2,590,833
Interest receivable and similar income	7	126	143
Interest payable and similar expenses	8	(129,942)	(144,578)
(Loss)/profit before taxation		(709,286)	2,446,398
Tax on (loss)/profit	9	(59,071)	(234,101)
(Loss)/profit for the financial year		(768,357)	2,212,297
(Loss)/profit for the financial year is attributable to:			
- Owners of the parent company		(757,210)	2,093,820
- Non-controlling interests		(11,147)	118,477
		(768,357)	2,212,297

The profit and loss account has been prepared on the basis that all operations are continuing operations.

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 29 MARCH 2021

	2021 £	2020 £
(Loss)/profit for the year	(768,357)	2,212,297
Other comprehensive income	-	-
Total comprehensive income for the year	(768,357)	2,212,297
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	(757,210)	2,093,820
- Non-controlling interests	(11,147)	118,477
	(768,357)	2,212,297

MINTON, TREHARNE & DAVIES LIMITED

GROUP BALANCE SHEET

AS AT 29 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10	10,110,661		10,005,829	
Investments	11	289,560		249,560	
		<u>10,400,221</u>		<u>10,255,389</u>	
Current assets					
Debtors	13	10,003,940	12,525,425		
Cash at bank and in hand		<u>3,764,761</u>	<u>1,077,015</u>		
		13,768,701	13,602,440		
Creditors: amounts falling due within one year	14	<u>(3,400,732)</u>	<u>(3,116,573)</u>		
Net current assets		10,367,969		10,485,867	
Total assets less current liabilities		20,768,190		20,741,256	
Creditors: amounts falling due after more than one year	15	(2,612,723)		(1,889,532)	
Provisions for liabilities					
Deferred tax liability	18	<u>847,195</u>	<u>775,095</u>	<u>(775,095)</u>	
Net assets		<u>17,308,272</u>		<u>18,076,629</u>	
Capital and reserves					
Called up share capital	21	100,000		100,000	
Capital redemption reserve		10,000		10,000	
Profit and loss reserves		<u>16,832,803</u>		<u>17,590,013</u>	
Equity attributable to owners of the parent company		16,942,803		17,700,013	
Non-controlling interests		<u>365,469</u>		<u>376,616</u>	
		<u>17,308,272</u>		<u>18,076,629</u>	

The financial statements were approved by the board of directors and authorised for issue on 17 June 2022 and are signed on its behalf by:

Mr J E Minton
Director

MINTON, TREHARNE & DAVIES LIMITED

COMPANY BALANCE SHEET

AS AT 29 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	10	10,055,790		9,940,617	
Investments	11	345,250		305,250	
		<u>10,401,040</u>		<u>10,245,867</u>	
Current assets					
Debtors	13	7,397,720		8,396,265	
Cash at bank and in hand		2,777,349		538,608	
		<u>10,175,069</u>		<u>8,934,873</u>	
Creditors: amounts falling due within one year	14	(5,177,339)		(4,221,353)	
Net current assets		<u>4,997,730</u>		<u>4,713,520</u>	
Total assets less current liabilities		<u>15,398,770</u>		<u>14,959,387</u>	
Creditors: amounts falling due after more than one year	15	(2,612,723)		(1,889,532)	
Provisions for liabilities					
Deferred tax liability	18	477,255		405,155	
		<u>(477,255)</u>		<u>(405,155)</u>	
Net assets		<u>12,308,792</u>		<u>12,664,700</u>	
Capital and reserves					
Called up share capital	21	100,000		100,000	
Capital redemption reserve		10,000		10,000	
Profit and loss reserves		12,198,792		12,554,700	
Total equity		<u>12,308,792</u>		<u>12,664,700</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £355,908 (2020 - £1,266,995 profit).

The financial statements were approved by the board of directors and authorised for issue on 17 June 2022 and are signed on its behalf by:

Mr J E Minton
Director

Company Registration No. 00435262

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 MARCH 2021

	Share capital	Capital redemption reserve	Profit and loss reserves	Total non-controlling interest	Total
	£	£	£	£	£
Balance at 31 March 2019	100,000	10,000	15,496,193	15,606,193	258,139
Year ended 29 March 2020:					
Profit and total comprehensive income for the year	-	-	2,093,820	2,093,820	118,477
Balance at 29 March 2020	100,000	10,000	17,590,013	17,700,013	376,616
Year ended 29 March 2021:					
Loss and total comprehensive income for the year	-	-	(757,210)	(757,210)	(11,147)
Balance at 29 March 2021	100,000	10,000	16,832,803	16,942,803	365,469

MINTON, TREHARNE & DAVIES LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 MARCH 2021

	Share capital	Capital redemption reserve	Profit and loss reserves	Total
	£	£	£	£
Balance at 31 March 2019	100,000	10,000	11,287,705	11,397,705
Year ended 29 March 2020:				
Profit and total comprehensive income for the year	-	-	1,266,995	1,266,995
Balance at 29 March 2020	100,000	10,000	12,554,700	12,664,700
Year ended 29 March 2021:				
Loss and total comprehensive income for the year	-	-	(355,908)	(355,908)
Balance at 29 March 2021	100,000	10,000	12,198,792	12,308,792

MINTON, TREHARNE & DAVIES LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 29 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	24		2,792,976		(121,518)
Interest paid			(129,942)		(144,578)
Income taxes paid			(288,978)		(605,553)
Net cash inflow/(outflow) from operating activities			<u>2,374,056</u>		<u>(871,649)</u>
Investing activities					
Purchase of tangible fixed assets		(466,334)		(1,616,584)	
Proceeds on disposal of tangible fixed assets		3,764		1,760,589	
Purchase of associates		(40,000)		-	
Receipts arising from loans made		(79,988)		(173,617)	
Interest received		126		143	
Net cash used in investing activities			<u>(582,432)</u>		<u>(29,469)</u>
Financing activities					
Proceeds of new bank loans		1,027,117		1,156,000	
Repayment of bank loans		(127,810)		(1,079,111)	
Payment of finance leases obligations		(28,600)		(225,387)	
Net cash generated from/(used in) financing activities			<u>870,707</u>		<u>(148,498)</u>
Net increase/(decrease) in cash and cash equivalents			<u>2,662,331</u>		<u>(1,049,616)</u>
Cash and cash equivalents at beginning of year			<u>1,049,898</u>		<u>2,099,514</u>
Cash and cash equivalents at end of year			<u><u>3,712,229</u></u>		<u><u>1,049,898</u></u>
Relating to:					
Cash at bank and in hand			3,764,761		1,077,015
Bank overdrafts included in creditors payable within one year			<u>(52,532)</u>		<u>(27,117)</u>

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

Company information

Minton, Treharne & Davies Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Longwood Drive, Forest Farm Industrial Estate, Cardiff, CF14 7HY.

The group consists of Minton, Treharne & Davies Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

The consolidated financial statements incorporate those of Minton, Treharne & Davies Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 29 March 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.3 Going concern

The financial statements have been prepared on a going concern basis which assumes the group will continue in operational existence for the foreseeable future. In making their assessment the directors have reviewed the balance sheet, the likely future cash flows of the business and have considered facilities that are in place at the date of signing the report.

As a consequence of the measures taken by the UK Government and other administrations worldwide to manage the impact of Covid-19, the day to day operations of the business have seen significant disruption. As the severity of the global pandemic has eased and global restrictions are removed, the directors have increasing confidence the business will return to its former levels of performance.

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

1.4 Turnover

Turnover represents amounts receivable for services and rechargeable disbursements net of VAT.

Fee income represents revenue earned under a wide variety of contracts to provide professional services. Revenue is recognised as earned when, and to the extent that, the company obtains the right to consideration in exchange for its performance under these contracts. It is measured at the fair value of the right to consideration, which represents amounts chargeable to clients, including expenses and disbursements but excluding value added tax.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold buildings	2% on a straight line basis
Plant and machinery	10% - 35% on a reducing balance basis
Fixtures, fittings & equipment	20% on cost
Computer equipment	10% - 35% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

1.9 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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 group after deducting all of its liabilities.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities, including creditors, bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.15 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

1 Accounting policies

(Continued)

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2021 £	2020 £
Turnover analysed by class of business		
Consultancy services	12,429,026	16,629,424

	2021 £	2020 £
Other significant revenue		
Interest income	126	143
Grants received	945,458	128,681

	2021 £	2020 £
Turnover analysed by geographical market		
UK	10,535,335	9,701,951
Europe	500,206	2,457,415
Rest of World	1,393,485	4,470,058
	12,429,026	16,629,424

3 Operating (loss)/profit

	2021 £	2020 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	323,934	(205,418)
Government grants	(945,458)	(128,681)
Depreciation of owned tangible fixed assets	361,385	189,343
Depreciation of tangible fixed assets held under finance leases	-	131,265
Profit on disposal of tangible fixed assets	(3,647)	(1,182,007)
Operating lease charges	617,715	447,101

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

4 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	16,900	15,615
Audit of the financial statements of the company's subsidiaries	20,364	20,065
	<u>37,264</u>	<u>35,680</u>

5 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Number of staff	140	141	119	120

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	7,781,645	8,294,507	5,054,042	5,368,306
Social security costs	586,817	641,273	550,645	607,600
Pension costs	327,971	327,119	282,878	289,472
	<u>8,696,433</u>	<u>9,262,899</u>	<u>5,887,565</u>	<u>6,265,378</u>

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	<u>407,051</u>	<u>403,115</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	<u>223,801</u>	<u>218,882</u>

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

7	Interest receivable and similar income	2021	2020
		£	£
	Interest income		
	Interest on bank deposits	126	143
		<u> </u>	<u> </u>
8	Interest payable and similar expenses	2021	2020
		£	£
	Interest on bank overdrafts and loans	89,364	106,224
	Interest on finance leases and hire purchase contracts	40,578	38,354
		<u> </u>	<u> </u>
	Total finance costs	129,942	144,578
		<u> </u>	<u> </u>
9	Taxation	2021	2020
		£	£
	Current tax		
	UK corporation tax on profits for the current period	(67,366)	108,512
	Adjustments in respect of prior periods	50,396	-
	Other taxes	21,299	-
		<u> </u>	<u> </u>
	Total UK current tax	4,329	108,512
		<u> </u>	<u> </u>
	Foreign current tax on profits for the current period	(17,358)	33,367
		<u> </u>	<u> </u>
	Total current tax	(13,029)	141,879
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	72,100	92,222
		<u> </u>	<u> </u>
	Total tax charge	59,071	234,101
		<u> </u>	<u> </u>

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

9 Taxation

(Continued)

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
(Loss)/profit before taxation	(709,286)	2,446,398
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(134,764)	464,816
Tax effect of expenses that are not deductible in determining taxable profit	31,037	(39,136)
Tax effect of income not taxable in determining taxable profit	-	(232,356)
Tax effect of utilisation of tax losses not previously recognised	130,528	-
Adjustments in respect of prior years	50,397	7,756
Others	(18,127)	36,743
Tax rebates	-	(3,722)
Taxation charge	59,071	234,101

10 Tangible fixed assets

Group	Freehold buildings	Plant and machinery	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 30 March 2020	9,438,349	3,904,515	192,451	31,829	312,355	13,879,499
Additions	289,801	163,966	10,509	2,058	-	466,334
Disposals	-	-	(117)	-	-	(117)
At 29 March 2021	9,728,150	4,068,481	202,843	33,887	312,355	14,345,716
Depreciation and impairment						
At 30 March 2020	254,382	3,276,840	130,379	28,689	183,380	3,873,670
Depreciation charged in the year	101,436	204,914	20,430	2,361	32,244	361,385
At 29 March 2021	355,818	3,481,754	150,809	31,050	215,624	4,235,055
Carrying amount						
At 29 March 2021	9,372,332	586,727	52,034	2,837	96,731	10,110,661
At 29 March 2020	9,183,967	627,675	62,072	3,140	128,975	10,005,829

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

10 Tangible fixed assets

(Continued)

Company	Freehold buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 30 March 2020	9,382,015	3,903,957	302,611	13,588,583
Additions	289,801	163,966	-	453,767
At 29 March 2021	9,671,816	4,067,923	302,611	14,042,350
Depreciation and impairment				
At 30 March 2020	198,047	3,276,282	173,637	3,647,966
Depreciation charged in the year	101,436	204,914	32,244	338,594
At 29 March 2021	299,483	3,481,196	205,881	3,986,560
Carrying amount				
At 29 March 2021	9,372,333	586,727	96,730	10,055,790
At 29 March 2020	9,183,968	627,675	128,974	9,940,617

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2021 £	2020 £	Company 2021 £	2020 £
Plant and machinery	372,990	334,772	372,990	334,772
Motor vehicles	48,499	103,473	48,499	103,473
	421,489	438,245	421,489	438,245

11 Fixed asset investments

		Group 2021 £	2020 £	Company 2021 £	2020 £
	Notes				
Investments in subsidiaries	12	289,560	249,560	345,250	305,250

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

11	Fixed asset investments	(Continued)
	Movements in fixed asset investments	
	Group	Shares in subsidiaries £
	Cost or valuation	
	At 30 March 2020	249,560
	Additions	40,000
		<hr/>
	At 29 March 2021	289,560
		<hr/>
	Carrying amount	
	At 29 March 2021	289,560
		<hr/>
	At 29 March 2020	249,560
		<hr/>
	Movements in fixed asset investments	
	Company	Shares in subsidiaries £
	Cost or valuation	
	At 30 March 2020	305,250
	Additions	40,000
		<hr/>
	At 29 March 2021	345,250
		<hr/>
	Carrying amount	
	At 29 March 2021	345,250
		<hr/>
	At 29 March 2020	305,250
		<hr/>

12 Subsidiaries

Details of the company's subsidiaries at 29 March 2021 are as follows:

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

12 Subsidiaries

(Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
British Vapour Testing Limited	UK	Vapour Testing	Ordinary	100.00
Composite Inspection Limited	UK	Dormant	Ordinary	100.00
Martest Cambrian (Singapore) PTE	Singapore	Consulting, scientists, mariners and engineers	Ordinary	70.00
Minton Trehearne & Davies (Australia) PTY Ltd	Australia	Consulting	Ordinary	100.00
Minton, Trehearne & Davies (Singapore) PTE	Singapore	Consulting, scientists, mariners and engineers	Ordinary	100.00
Minton, Trehearne & Davies Holland BV	Holland	Consulting, scientists, mariners and engineers	Ordinary	100.00
Minton, Trehearne & Davies USA Inc	USA	Consulting, scientists, mariners and engineers	Ordinary	80.00
MTD Marine Surveys Limited	UK	Dormant	Ordinary	100.00

13 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	5,679,255	8,373,145	3,979,555	5,028,537
Gross amounts owed by contract customers	2,301,648	2,800,083	1,379,769	1,928,986
Corporation tax recoverable	130,528	-	130,528	-
Amounts owed by group undertakings	-	-	142,593	189,975
Other debtors	1,811,159	1,278,427	1,701,191	1,213,529
Prepayments and accrued income	81,350	73,770	64,084	35,238
	<u>10,003,940</u>	<u>12,525,425</u>	<u>7,397,720</u>	<u>8,396,265</u>

14 Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	16	356,727	155,193	304,195	155,193
Obligations under finance leases	17	153,817	183,004	153,817	183,004
Trade creditors		227,483	320,881	160,828	222,600
Amounts owed to group undertakings		-	-	2,633,549	2,074,245
Corporation tax payable		495,223	666,702	-	127,288
Other taxation and social security		523,987	489,088	480,688	418,061
Other creditors		716,557	543,638	685,707	478,843
Accruals and deferred income		926,938	758,067	758,555	562,119
		<u>3,400,732</u>	<u>3,116,573</u>	<u>5,177,339</u>	<u>4,221,353</u>

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

15 Creditors: amounts falling due after more than one year

		Group 2021 £	2020 £	Company 2021 £	2020 £
	Notes				
Bank loans and overdrafts	16	2,488,560	1,765,372	2,488,560	1,765,372
Obligations under finance leases	17	116,237	115,650	116,237	115,650
Government grants	19	7,926	8,510	7,926	8,510
		<u>2,612,723</u>	<u>1,889,532</u>	<u>2,612,723</u>	<u>1,889,532</u>

16 Loans and overdrafts

		Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans		2,792,755	1,893,448	2,792,755	1,893,448
Bank overdrafts		52,532	27,117	-	27,117
		<u>2,845,287</u>	<u>1,920,565</u>	<u>2,792,755</u>	<u>1,920,565</u>
Payable within one year		356,727	155,193	304,195	155,193
Payable after one year		2,488,560	1,765,372	2,488,560	1,765,372

The long-term loans are secured by a first legal charge over the freehold property owned by the group.

17 Finance lease obligations

		Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:					
Within one year		153,817	183,004	153,817	183,004
In two to five years		116,237	115,650	116,237	115,650
		<u>270,054</u>	<u>298,654</u>	<u>270,054</u>	<u>298,654</u>

The finance lease creditors are secured upon the assets to which they relate. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

18 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2021 £	Liabilities 2020 £
Group		
Accelerated capital allowances	853,987	793,422
Other timing differences	(6,792)	(17,978)
Losses	-	(349)
	<u>847,195</u>	<u>775,095</u>
	<u><u>847,195</u></u>	<u><u>775,095</u></u>
	Liabilities 2021 £	Liabilities 2020 £
Company		
Accelerated capital allowances	484,047	423,482
Other timing differences	(6,792)	(17,978)
Losses	-	(349)
	<u>477,255</u>	<u>405,155</u>
	<u><u>477,255</u></u>	<u><u>405,155</u></u>
	Group 2021 £	Company 2021 £
Movements in the year:		
Liability at 30 March 2020	775,095	405,155
Charge to profit or loss	72,100	72,100
	<u>847,195</u>	<u>477,255</u>
Liability at 29 March 2021	<u><u>847,195</u></u>	<u><u>477,255</u></u>

19 Deferred grants

	Group 2021 £	2020 £	Company 2021 £	2020 £
Arising from government grants	<u>7,926</u>	<u>8,510</u>	<u>7,926</u>	<u>8,510</u>

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

20 Retirement benefit schemes

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	327,971	327,119

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

	Group and company	
	2021	2020
	£	£
Ordinary share capital		
Issued and fully paid		
39,190 Class 'A' Ordinary Shares of £1 each	34,190	34,190
4,000 Class 'B' Ordinary Shares of £1 each	4,000	4,000
46,810 Class 'C' Ordinary Shares of £1 each	46,810	46,810
5,000 Class 'D' Ordinary Shares of £1 each	5,000	5,000
5,000 Class 'E' Ordinary Shares of £1 each	5,000	5,000
5,000 Class 'F' Ordinary Shares of £1 each	5,000	5,000
	100,000	100,000
Preference share capital		
Issued and fully paid		
10,000 of £1 each	10,000	10,000
Total equity share capital	100,000	100,000

Both Ordinary and Preference shares carry full voting rights, full equity participation and full rights in respect of dividends.

22 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	297,253	175,786	297,253	175,786
Between two and five years	230,563	208,461	230,563	208,461
	527,816	384,247	527,816	384,247

MINTON, TREHARNE & DAVIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 29 MARCH 2021

23 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Acquisition of tangible fixed assets	40,000	-	40,000	-

24 Cash generated from/(absorbed by) group operations

	2021 £	2020 £
(Loss)/profit for the year after tax	(768,357)	2,212,297
Adjustments for:		
Taxation charged	59,071	234,101
Finance costs	129,942	144,578
Investment income	(126)	(143)
Gain on disposal of tangible fixed assets	(3,647)	(1,182,007)
Depreciation and impairment of tangible fixed assets	361,385	320,608
Movements in working capital:		
Decrease/(increase) in debtors	2,732,001	(1,958,206)
Increase in creditors	283,291	235,935
Decrease in deferred income	(584)	(128,681)
Cash generated from/(absorbed by) operations	2,792,976	(121,518)

25 Analysis of changes in net funds/(debt) - group

	30 March 2020 £	Cash flows 29 March 2021 £	£
Cash at bank and in hand	1,077,015	2,687,746	3,764,761
Bank overdrafts	(27,117)	(25,415)	(52,532)
	1,049,898	2,662,331	3,712,229
Borrowings excluding overdrafts	(1,893,448)	(899,307)	(2,792,755)
Obligations under finance leases	(298,654)	28,600	(270,054)
	(1,142,204)	1,791,624	649,420

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