

**SHUTDOWN MAINTENANCE SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

Shutdown Maintenance Services Limited
Unaudited Financial Statements
For The Year Ended 31 March 2021

Contents

	Page
Balance Sheet	1—2
Notes to the Financial Statements	3—10

Shutdown Maintenance Services Limited
Balance Sheet
As at 31 March 2021

Registered number: 01348516

		2021		2020	
	Notes	£	£	£	£
FIXED ASSETS					
Tangible Assets	3		1,344,033		388,905
			1,344,033		388,905
CURRENT ASSETS					
Stocks	4	42,547		12,120	
Debtors	5	626,638		743,335	
Cash at bank and in hand		418,820		225,493	
		1,088,005		980,948	
Creditors: Amounts Falling Due Within One Year	6	(1,050,504)		(633,965)	
NET CURRENT ASSETS (LIABILITIES)			37,501		346,983
TOTAL ASSETS LESS CURRENT LIABILITIES			1,381,534		735,888
Creditors: Amounts Falling Due After More Than One Year	7		(592,764)		-
NET ASSETS			788,770		735,888
CAPITAL AND RESERVES					
Called up share capital	10	25,000		25,000	
Revaluation reserve	12	523,659		-	
Capital redemption reserve		25,000		25,000	
Profit and Loss Account		215,111		685,888	
SHAREHOLDERS' FUNDS			788,770		735,888

Shutdown Maintenance Services Limited
Balance Sheet (continued)
As at 31 March 2021

For the year ending 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The company has taken advantage of section 444(1) of the Companies Act 2006 and opted not to deliver to the registrar a copy of the company's Profit and Loss Account.

On behalf of the board

Mr Matthew Clapp

Director

23rd June 2022

The notes on pages 3 to 10 form part of these financial statements.

Shutdown Maintenance Services Limited
Notes to the Financial Statements
For The Year Ended 31 March 2021

1. Accounting Policies

1.1. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention and in accordance with the FRS 102 Section 1A Small Entities - The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

1.2. Going Concern Disclosure

The directors have prepared forecasts for a period of at least 12 months from the date of approval of these financial statements which includes certain assumptions around the timing and level of new sales contracts being obtained, together with the timing and level of expected expenditure. The assumptions are based on the company's track record of attracting new contracts. These forecasts show the company is able to continue to trade within their existing resources and able to settle its liabilities and repay its lenders as repayments fall due.

Whilst the company has made a loss for the year ended 31 March 2021 it continues to invest in new services to drive future growth as well as expand its customer base and service offering. As a result the directors anticipate a return to profitability during the year ending 31 March 2022 and beyond and this is supported by profitable draft accounts for 31 March 2022. The directors remain fully aware of the current economic climate and will take appropriate strategic decisions to protect the interests of all stakeholders within the business with a particular focus on cost control should there be an impact on the generation of future business required to meet their forecasts. Therefore, the directors have prepared the financial statements on a going concern basis. The financial statements do not include any adjustments that would result if the going concern basis of preparation were no longer appropriate.

1.3. Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Turnover, which has been recognised but not invoiced by the balance sheet date, is included in debtors as amounts recoverable on contracts.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

1.4. Tangible Fixed Assets and Depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses with the exception of freehold property. Freehold property is carried at valuation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. The basis of the valuation is fair value.

During the year there has been a change in accounting policy for freehold property. In previous years freehold property was measured at cost less accumulated depreciation and any accumulated impairment losses. Freehold property is now carried at valuation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses. The change was enacted to show a true and fair value of the assets of the company. Freehold property cost has been increased by £436,808, accumulated depreciation has been reduced by £86,850 and the net book value of the asset has increased by £523,658.

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

Freehold	property 4% straight line (land 0%)
Plant & Machinery	20% straight line
Motor Vehicles	20% straight line
Fixtures & Fittings	33.3% straight line

1.5. Investment Properties

All investment properties are carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided for. Changes in fair value are recognised in the profit and loss account.

1.6. Stocks and Work in Progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work-in-progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

1.7. Taxation

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because of items of income or expense that are taxable or deductible in other year and items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on timing differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable timing differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. The measurement of deferred tax liabilities and asset reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current or deferred tax for the year is recognised in profit or loss, except when they related to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax is also recognised in other comprehensive income or directly in equity respectively.

1.8. Pensions

The company operates a defined pension contribution scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

1.9. Government Grant

Government grants are recognised in the profit and loss account in an appropriate manner that matches them with the expenditure towards which they are intended to contribute.

Grants for immediate financial support or to cover costs already incurred are recognised immediately in the profit and loss account. Grants towards general activities of the entity over a specific period are recognised in the profit and loss account over that period.

Grants towards fixed assets are recognised over the expected useful lives of the related assets and are treated as deferred income and released to the profit and loss account over the useful life of the asset concerned.

All grants in the profit and loss account are recognised when all conditions for receipt have been complied with.

2. Average Number of Employees

Average number of employees, including directors, during the year was as follows: 38 (2020: 29)

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

3. Tangible Assets

	Land & Property			
	Freehold	Investment Properties	Plant & Machinery	Motor Vehicles
	£	£	£	£
Cost or Valuation				
As at 1 April 2020	213,192	230,000	299,759	237,359
Additions	101,449	-	358,846	10,083
Disposals	-	-	(36,058)	-
Revaluation	436,808	-	-	-
As at 31 March 2021	751,449	230,000	622,547	247,442
Depreciation				
As at 1 April 2020	81,686	-	297,458	212,261
Provided during the period	5,164	-	26,212	7,532
Disposals	-	-	(36,058)	-
On revaluations	(86,850)	-	-	-
As at 31 March 2021	-	-	287,612	219,793
Net Book Value				
As at 31 March 2021	751,449	230,000	334,935	27,649
As at 1 April 2020	131,506	230,000	2,301	25,098
			Fixtures & Fittings	Total
			£	£
Cost or Valuation				
As at 1 April 2020			15,966	996,276
Additions			-	470,378
Disposals			(15,966)	(52,024)
Revaluation			-	436,808
As at 31 March 2021			-	1,851,438
Depreciation				
As at 1 April 2020			15,966	607,371
Provided during the period			-	38,908
Disposals			(15,966)	(52,024)
On revaluations			-	(86,850)
As at 31 March 2021			-	507,405
Net Book Value				
As at 31 March 2021			-	1,344,033
As at 1 April 2020			-	388,905

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

The analysis of the cost or valuation of the above assets is as follows:

	Land & Property			
	Freehold	Investment Properties	Plant & Machinery	Motor Vehicles
	£	£	£	£
As at 31 March 2021				
At cost	314,641	77,500	622,547	247,442
At valuation	436,808	152,500	-	-
	<u>751,449</u>	<u>230,000</u>	<u>622,547</u>	<u>247,442</u>
As at 1 April 2020				
At cost	213,192	77,500	299,759	237,359
At valuation	-	152,500	-	-
	<u>213,192</u>	<u>230,000</u>	<u>299,759</u>	<u>237,359</u>
			Fixtures & Fittings	Total
			£	£
As at 31 March 2021				
At cost			-	1,262,130
At valuation			-	589,308
			<u>-</u>	<u>1,851,438</u>
As at 1 April 2020				
At cost			15,966	843,776
At valuation			-	152,500
			<u>15,966</u>	<u>996,276</u>

The freehold land and buildings were revalued on 31 March 2021 by M Clapp, the managing director, on a fair value basis. This valuation included £650,000 for the land at Kingsnorth Industrial Estate and £101,449 for the buildings.

The investment property was revalued on 31 March 2021 by M Clapp, the managing director, on a fair value basis.

4. Stocks

	2021	2020
	£	£
Stock - materials	42,547	12,120
	<u>42,547</u>	<u>12,120</u>

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

5. Debtors

	2021	2020
	£	£
Due within one year		
Trade debtors	123,387	195,439
Amounts recoverable on contracts	412,875	414,335
Prepayments and accrued income	34,321	42,086
Other debtors	3,175	39,047
Corporation tax recoverable assets	52,880	52,428
	<u>626,638</u>	<u>743,335</u>

6. Creditors: Amounts Falling Due Within One Year

	2021	2020
	£	£
Trade creditors	603,176	420,938
Bank loans and overdrafts	25,833	-
Other taxes and social security	96,713	94,058
VAT	226,897	10,472
Net wages	16,338	14,622
Other creditors	11,956	24,748
Accruals and deferred income	69,591	69,127
	<u>1,050,504</u>	<u>633,965</u>

7. Creditors: Amounts Falling Due After More Than One Year

	2021	2020
	£	£
Bank loans	224,167	-
Other taxes and social security	368,597	-
	<u>592,764</u>	<u>-</u>

8. Secured Creditors

Of the creditors falling due within and after more than one year the following amounts are secured.

This relates to the bank loan which is secured on the investment property at Knight Road, Strood.

	2021	2020
	£	£
Bank loans and overdrafts	200,000	-

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

9. Deferred Taxation

A provision for deferred taxation has been considered but as trading losses exceed any gains on which deferred tax would be due it was concluded that deferred tax assets should only be recognised to the extent that it is probable they will be recovered. Therefore no deferred tax liability or asset has been included in the accounts.

10. Share Capital

			2021	2020
Allotted, Called up and fully paid			25,000	25,000
	Value	Number	2021	2020
Allotted, called up and fully paid	£		£	£
Ordinary Shares	1.000	25000	25,000	25,000

11. Pension Commitments

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £44,135 (2020 - £27,326). At the balance sheet date unpaid contributions of £16,912 (2020 - £3,224) were due to the fund. They are included in other creditors and accruals.

12. Reserves

	Revaluation Reserve
	£
Surplus on revaluation	523,659
As at 31 March 2021	523,659

Revaluation reserve

The revaluation reserve represents the increase in valuation of the freehold land and buildings above historical cost.

Capital redemption reserve

The capital redemption reserve represents the nominal value of shares repurchased by the company.

Profit and loss account

The profit and loss account represents accumulated comprehensive income for the year and prior periods less any dividends paid.

13. Post Balance Sheet Events

Since the year end the company has sold it's investment property at Knight Road, Strood for £235,000. The security on the bank loan was moved over to the trading property at Kingsnorth Industrial Estate at the same time.

Shutdown Maintenance Services Limited
Notes to the Financial Statements (continued)
For The Year Ended 31 March 2021

14. Related Party Transactions

The company paid £20,000 (2020 - £20,000) to a related party in respect of fees for the services of certain non-executive directors. This is related through common directorship. At the year end there were amounts outstanding totalling £25,000 (2020 - £5,000).

Key management personnel include those people who together have authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company was £204,951 (2020 - £266,109).

15. Controlling Party

Falcon Holdings Limited, a company registered in Belize, is considered to be the largest shareholder in the company. The shares in Falcon Holdings Limited are held by Lord Ashcroft, KCMG, PC.

16. General Information

Shutdown Maintenance Services Limited is a private company, limited by shares, incorporated in England & Wales, registered number 01348516 . The registered office is Lime House, 75 Church Road, Tiptree, Essex, CO5 0HB.

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.