

Registered number: 09826528

**CONNECT ACCESS GROUP LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JANUARY 2022**

SATURDAY



\*ABFMMJRK\*

A17

29/10/2022

#251

COMPANIES HOUSE

**CONNECT ACCESS GROUP LIMITED**

**COMPANY INFORMATION**

<b>DIRECTOR</b>	Mr O J Cave
<b>REGISTERED NUMBER</b>	09826528
<b>REGISTERED OFFICE</b>	Hadham Park Hadham Road Bishop's Stortford Hertfordshire CM23 1JH
<b>INDEPENDENT AUDITORS</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

# CONNECT ACCESS GROUP LIMITED

## CONTENTS

<b>Group Strategic Report</b>	<b>Page</b>
<b>Director's Report</b>	<b>1</b>
<b>Independent Auditors' Report</b>	<b>2 - 3</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>4 - 6</b>
<b>Consolidated Statement of Financial Position</b>	<b>7</b>
<b>Company Statement of Financial Position</b>	<b>8</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>9</b>
<b>Company Statement of Changes in Equity</b>	<b>10</b>
<b>Consolidated Statement of Cash Flows</b>	<b>11</b>
<b>Notes to the Financial Statements</b>	<b>12</b>
	<b>13 - 27</b>

**CONNECT ACCESS GROUP LIMITED**  
**GROUP STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 JANUARY 2022**

**BUSINESS REVIEW**

Connect Access Group are an award-winning provider of high-quality scaffolds, access and hoist solutions across London and the South East.

Our focus continues to be consolidating growth, driving efficiencies and margin improvement albeit in a challenging market. Following a reorganisation, results were in line with expectations turnover reduced slightly by 5.5% in the year £12,808,892 compared to (2021 - £13,575,530). Profit after tax increased to £1,260,831 (2021 - £1,011,239)

Despite the ongoing impact of the pandemic, the continued commitment and professionalism shown by all the Team has been exceptional and enabled us to continue to deliver the exemplary customer service our business is built on.

We focus on investing in our people to develop their potential. We encourage and support all our staff to engage in lifelong learning and continue to offer apprenticeships and other forms of vocational training.

As always, the markets we operate in remain extremely competitive. The wide-ranging knowledge, skills, and experience across the Team at Connect enable us to operate across all industry sectors, including construction, industrial, heritage, events, infrastructure, rail and asbestos, giving us some resilience to market changes.

We pride ourselves on delivering our services to our customers safely and sustainably, helping them to reduce the environmental impact of their activities. We have again retained all our key supply chain credentials, including NASC audited membership, FORS Gold for our vehicle fleet and this year awarded the RoSPA Gold Medal Award for 7 consecutive years of Golds in the RoSPA Health and Safety Awards.

As ever I am extremely proud and grateful to our remarkable teams, their hard work, professionalism, and commitment is what sets us apart.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The pandemic along with a difficult economic and political climate, creates many uncertainties for the future, ongoing developments are being carefully monitored.

Our continuing activities in research and development of new technology, systems of work and equipment continues to carry some risk and uncertainty.

The Leadership Team is confident through continuous monitoring and review of our business strategy, policies and procedures these risks, and uncertainties can be appropriately managed, and their effects mitigated.

**FINANCIAL KEY PERFORMANCE INDICATORS**

The principal goal of the business is to achieve sustainable growth and maximum return through delivering exceptional service to our customers and creating opportunity for all our employees.

Management focus on KPI's in each department is helping to achieve company objectives. Overall, a promising set of results despite the challenges.

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

*Oliver Cave*  
**Mr O J Cave** May 23, 2022, 4:19pm  
Director

Date: 23 May 2022

## **CONNECT ACCESS GROUP LIMITED**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 JANUARY 2022**

The Director presents his report and the financial statements for the year ended 31 January 2022.

#### **RESULTS AND DIVIDENDS**

The profit for the year, after taxation, amounted to £1,260,831 (2021 - £1,011,239).

The Profit After Tax margin amounted to 9.9% (2021 – 7.4%). Turnover was £12,808,892 (2021 - £13,575,530).

#### **DIRECTOR**

The Director who served during the year was:

Mr O J Cave

#### **POST BALANCE SHEET EVENTS**

Beyond the terrible suffering and humanitarian crisis caused by Russia's invasion of Ukraine, the entire global economy is feeling the effects, with sharply rising commodity prices, creating food and fuel crises, the full impact on the business is unknown.

#### **FUTURE DEVELOPMENTS**

Within Management and Administration our investments in our ITC systems will deliver further efficiencies and continue to improve our customer service.

#### **DISCLOSURE OF INFORMATION TO AUDITORS**

The Director at the time when this Director's Report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- he has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

#### **AUDITORS**

Under section 487(2) of the Companies Act 2006, Price Bailey LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

## CONNECT ACCESS GROUP LIMITED

### DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 JANUARY 2022

#### DIRECTOR'S RESPONSIBILITIES STATEMENT

The Director is responsible for preparing the Group Strategic Report, the Director's Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Director *must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.*

*In preparing these financial statements, the Director is required to:*

- select suitable accounting policies for the Group's financial statements 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 Group will continue in business.

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

*This report was approved by the board and signed on its behalf.*

*Oliver Cave*

Mr Oliver Cave (May 23, 2022, 4:19pm)

Mr O J Cave  
Director

Date: 23 May 2022

## CONNECT ACCESS GROUP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONNECT ACCESS GROUP LIMITED

#### OPINION

We have audited the financial statements of Connect Access Group Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company 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 Financial Reporting Standard 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 of the parent Company's affairs as at 31 January 2022 and of the Group's profit 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Director's 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 or the 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 Director with respect to going concern are described in the relevant sections of this report.

## **CONNECT ACCESS GROUP LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONNECT ACCESS GROUP LIMITED (CONTINUED)**

#### **OTHER INFORMATION**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Director is 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.

#### **OPINION 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 Group Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

#### **MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

In the light of 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 Group Strategic Report or the Director's 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **RESPONSIBILITIES OF DIRECTORS**

As explained more fully in the Director's Responsibilities Statement set out on page 3, the Director is 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 Director determines 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 Director is responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Director either intends to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## CONNECT ACCESS GROUP LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONNECT ACCESS GROUP LIMITED (CONTINUED)

#### AUDITORS' 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 Auditors' 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 Group 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:

- Enquiry of management around actual and potential litigation and claims, and any known instances of non-compliance;
- performing audit work over the risks of management 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 bias; and
- Reviewing our work throughout the audit file for evidence of non-compliance.

Due to factors such as the use of judgement, sample testing and the inherent limitations of internal control, these procedures are capable of obtaining reasonable, but not absolute, assurance that irregularities have been detected.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### 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 Auditors' 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.

Richard Vass (Senior Statutory Auditor)

for and on behalf of

**Price Bailey LLP**

Chartered Accountants  
Statutory Auditors

Causeway House  
1 Dane Street  
Bishop's Stortford  
Hertfordshire  
CM23 3BT

Date: 23 May 2022

# CONNECT ACCESS GROUP LIMITED

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JANUARY 2022

	Note	2022 £	2021 £
Turnover	4	12,808,892	13,575,530
Cost of sales		(9,661,264)	(10,241,289)
<b>Gross profit</b>		<b>3,147,628</b>	<b>3,334,241</b>
Administrative expenses		(1,578,705)	(2,222,173)
Other operating income	5	127,409	700,329
<b>Operating profit</b>	6	<b>1,696,332</b>	<b>1,812,397</b>
Amounts written off investments		-	(479,620)
Interest receivable and similar income	10	572	3,270
Interest payable and similar expenses	11	-	(2,538)
<b>Profit before tax</b>		<b>1,696,904</b>	<b>1,333,509</b>
Tax on profit	12	(436,073)	(322,270)
<b>Profit for the financial year</b>		<b>1,260,831</b>	<b>1,011,239</b>
<b>Profit for the year attributable to:</b>			
Owners of the parent company		<b>1,260,831</b>	<b>1,011,239</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2022 (2021 - £NIL).

The notes on pages 13 to 27 form part of these financial statements.

**CONNECT ACCESS GROUP LIMITED**  
**REGISTERED NUMBER: 09826528**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	2,200,171	2,707,903
Tangible assets	15	7,558,238	7,653,489
		<u>9,758,409</u>	<u>10,361,392</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	2,872,960	3,029,222
Cash at bank and in hand	18	7,373,753	5,579,981
		<u>10,246,713</u>	<u>8,609,203</u>
Creditors: amounts falling due within one year	19	(721,653)	(1,258,942)
<b>Net current assets</b>		<u>9,525,060</u>	<u>7,350,261</u>
<b>Total assets less current liabilities</b>		<u>19,283,469</u>	<u>17,711,653</u>
<b>Provisions for liabilities</b>			
Deferred taxation	21	(802,157)	(491,172)
<b>Net assets</b>		<u><u>18,481,312</u></u>	<u><u>17,220,481</u></u>
<b>Capital and reserves</b>			
Called up share capital	22	12,125,000	12,125,000
Capital redemption reserve	23	125,000	125,000
Profit and loss account	23	6,231,312	4,970,481
		<u><u>18,481,312</u></u>	<u><u>17,220,481</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*Oliver Cave*  
**Mr O. J. Cave**  
Mr O. J. Cave (May 23, 2022, 4:19pm)  
 Director

Date: 23 May 2022

The notes on pages 13 to 27 form part of these financial statements.

**CONNECT ACCESS GROUP LIMITED**  
**REGISTERED NUMBER: 09826528**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 JANUARY 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	16	12,250,002	12,250,002
<b>Current assets</b>			
Debtors: amounts falling due within one year	17	30,000	-
Cash at bank and in hand	18	775	858
		<u>30,775</u>	<u>858</u>
Creditors: amounts falling due within one year	19	(447,900)	(418,864)
<b>Net current liabilities</b>		<u>(417,125)</u>	<u>(418,006)</u>
<b>Net assets</b>		<u>11,832,877</u>	<u>11,831,996</u>
<b>Capital and reserves</b>			
Called up share capital	22	12,125,000	12,125,000
Capital redemption reserve	23	125,000	125,000
Profit and loss account	23	(417,123)	(418,004)
		<u>11,832,877</u>	<u>11,831,996</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

*Oliver Cave*

**Mr O J Cave** (May 23, 2022, 4:19pm)  
 Director

Date: 23 May 2022

The notes on pages 13 to 27 form part of these financial statements.

# CONNECT ACCESS GROUP LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2022

	Called up share capital	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 February 2021	12,125,000	125,000	4,970,481	17,220,481	17,220,481
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	1,260,831	1,260,831	1,260,831
<b>At 31 January 2022</b>	<u>12,125,000</u>	<u>125,000</u>	<u>6,231,312</u>	<u>18,481,312</u>	<u>18,481,312</u>

The notes on pages 13 to 27 form part of these financial statements.

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2021

	Called up share capital	Capital redemption reserve	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 February 2020	12,125,000	125,000	3,959,242	16,209,242	16,209,242
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	1,011,239	1,011,239	1,011,239
<b>At 31 January 2021</b>	<u>12,125,000</u>	<u>125,000</u>	<u>4,970,481</u>	<u>17,220,481</u>	<u>17,220,481</u>

The notes on pages 13 to 27 form part of these financial statements.

**CONNECT ACCESS GROUP LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2021	12,125,000	125,000	(418,004)	11,831,996
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	881	881
<b>At 31 January 2022</b>	<u>12,125,000</u>	<u>125,000</u>	<u>(417,123)</u>	<u>11,832,877</u>

The notes on pages 13 to 27 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 JANUARY 2021**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2020	12,125,000	125,000	18,786	12,268,786
<b>Comprehensive income for the year</b>				
Loss for the year	-	-	(436,790)	(436,790)
<b>At 31 January 2021</b>	<u>12,125,000</u>	<u>125,000</u>	<u>(418,004)</u>	<u>11,831,996</u>

The notes on pages 13 to 27 form part of these financial statements.

**CONNECT ACCESS GROUP LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 JANUARY 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,260,831	1,011,239
<b>Adjustments for:</b>		
Amortisation of intangible assets	507,732	507,732
Depreciation of tangible assets	1,259,875	1,276,194
Impairments of fixed assets	-	479,620
Loss on disposal of tangible assets	(26,914)	(13,052)
Interest paid	-	2,538
Interest received	(572)	(3,270)
Taxation charge	436,073	322,270
Decrease in debtors	170,993	517,068
(Decrease) in creditors	(197,592)	(462,080)
Corporation tax (paid)	(480,381)	(452,709)
<b>Net cash generated from operating activities</b>	<u>2,930,045</u>	<u>3,185,550</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(1,206,945)	(234,685)
Sale of tangible fixed assets	70,100	31,075
Purchase of unlisted and other investments	-	(290,000)
Interest received	572	3,270
Income from investments	-	9,510
<b>Net cash from investing activities</b>	<u>(1,136,273)</u>	<u>(480,830)</u>
<b>Cash flows from financing activities</b>		
Interest paid	-	(2,538)
<b>Net cash used in financing activities</b>	<u>-</u>	<u>(2,538)</u>
<b>Net increase in cash and cash equivalents</b>	1,793,772	2,702,182
Cash and cash equivalents at beginning of year	5,579,981	2,877,799
<b>Cash and cash equivalents at the end of year</b>	<u><u>7,373,753</u></u>	<u><u>5,579,981</u></u>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	<u><u>7,373,753</u></u>	<u><u>5,579,981</u></u>

The notes on pages 13 to 27 form part of these financial statements.

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

#### 1. GENERAL INFORMATION

Connect Access Group Limited is a company limited by shares, incorporated in England and Wales. Its registered office is Hadham Park, Hadham Road, Bishop's Stortford, Hertfordshire, CM23 1JH.

#### 2. ACCOUNTING POLICIES

##### 2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the *Financial Reporting Standard* applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company's functional and presentational currency is that of Pounds Sterling.

The following principal accounting policies have been applied:

##### 2.2 BASIS OF CONSOLIDATION

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

##### 2.3 TURNOVER

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 INTANGIBLE ASSETS

#### *Goodwill*

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 10 years.

#### *Negative goodwill*

Negative Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Negative Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Negative Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over 10 years.

### 2.5 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method or reducing balance basis.

Depreciation is provided on the following basis:

Freehold property	-	2% straight line
Short-term leasehold property	-	10% straight line
Plant and machinery	-	25% reducing balance or 10% straight line
Motor vehicles	-	25% reducing balance
Office equipment	-	25% straight line
Computer equipment	-	25% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.6 IMPAIRMENT OF FIXED ASSETS AND GOODWILL

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

### 2.7 VALUATION OF INVESTMENTS

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.8 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

### 2.9 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

### 2.10 FINANCIAL INSTRUMENTS

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.10 FINANCIAL INSTRUMENTS (continued)

between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

### 2.11 CREDITORS

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

### 2.12 GOVERNMENT GRANTS

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

### 2.13 FINANCE COSTS

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

### 2.14 OPERATING LEASES: THE GROUP AS LESSEE

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

### 2.15 PENSIONS

#### Defined Contribution Pension Plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

#### 2. ACCOUNTING POLICIES (CONTINUED)

##### 2.16 INTEREST INCOME

*Interest income is recognised in profit or loss using the effective interest method.*

##### 2.17 PROVISIONS FOR LIABILITIES

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

##### 2.18 CURRENT AND DEFERRED TAXATION

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## CONNECT ACCESS GROUP LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

#### 3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 15 for the carrying amount of the property, plant and equipment, and note 2.5 for the useful economic lives for each class of asset.

#### 4. TURNOVER

The whole of the turnover is attributable to that of scaffolding specialists.

All turnover arose within the United Kingdom.

#### 5. OTHER OPERATING INCOME

	2022 £	2021 £
Other operating income	127,409	64,331
Coronavirus Job Retention Scheme	-	635,998
	<u>127,409</u>	<u>700,329</u>

#### 6. OPERATING PROFIT

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	1,259,875	1,281,703
Amortisation of intangible assets, including goodwill	507,732	553,216
Other operating lease rentals	12,437	26,135
Defined contribution pension cost	<u>109,645</u>	<u>116,899</u>

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 7. AUDITOR'S REMUNERATION

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>FEES PAYABLE TO THE AUDITOR AND ITS ASSOCIATES IN RESPECT OF:</b>				
Audit of the financial statements	24,975	22,350	4,970	6,700
All other services	12,400	11,100	3,835	2,950
	<u>37,375</u>	<u>33,450</u>	<u>8,805</u>	<u>9,650</u>

### 8. EMPLOYEES

Staff costs were as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	5,084,592	5,596,052	-	-
Social security costs	524,042	551,639	-	-
Cost of defined contribution scheme	109,645	115,261	-	-
	<u>5,718,279</u>	<u>6,262,952</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the Director, during the year was as follows:

	2022 No.	2021 No.
Administration	14	17
Operations management	21	23
Operatives	91	111
	<u>126</u>	<u>151</u>

The Company has no employees other than the Director, who did not receive any remuneration (2021 - £NIL).

### 9. DIRECTOR'S REMUNERATION

	2022 £	2021 £
Group contributions to defined contribution pension schemes	<u>2,000</u>	<u>-</u>

During the year retirement benefits were accruing to 1 Director (2021 - NIL) in respect of defined contribution pension schemes.

CONNECT ACCESS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022

10. INTEREST RECEIVABLE

	2022 £	2021 £
Other interest receivable	572	3,270

11. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Finance leases and hire purchase contracts	-	2,538

12. TAXATION

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	295,842	488,455
Adjustments in respect of previous periods	(170,754)	(173,299)
<b>Total current tax</b>	125,088	315,156
<b>Deferred tax</b>		
Origination and reversal of timing differences	310,985	7,114
<b>Taxation on profit on ordinary activities</b>	436,073	322,270

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 12. TAXATION (CONTINUED)

#### FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	1,696,904	1,333,509
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	322,412	253,367
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	96,469	104,567
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	7,185	92,319
Capital allowances for year in excess of depreciation	15,180	(6,143)
Utilisation of tax losses	-	(3,628)
Adjustments to tax charge in respect of prior periods	(170,754)	(173,299)
Changes in tax rate leading to an increase (decrease) in the tax charge	152,905	55,087
Unrelieved tax losses carried forward	12,676	-
<b>Total tax charge for the year</b>	<b>436,073</b>	<b>322,270</b>

#### FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charge.

### 13. PARENT COMPANY PROFIT FOR THE YEAR

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £881 (2021 - loss £436,790).

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 14. INTANGIBLE ASSETS

#### Group

	Goodwill £	Negative goodwill £	Total £
<b>Cost</b>			
At 1 February 2021	5,574,027	(17,089)	5,556,938
At 31 January 2022	<u>5,574,027</u>	<u>(17,089)</u>	<u>5,556,938</u>
<b>Amortisation</b>			
At 1 February 2021	2,856,851	(7,816)	2,849,035
Charge for the year on owned assets	509,441	(1,709)	507,732
At 31 January 2022	<u>3,366,292</u>	<u>(9,525)</u>	<u>3,356,767</u>
<b>Net book value</b>			
At 31 January 2022	<u>2,207,735</u>	<u>(7,564)</u>	<u>2,200,171</u>
At 31 January 2021	<u>2,717,176</u>	<u>(9,273)</u>	<u>2,707,903</u>

**CONNECT ACCESS GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

**15. TANGIBLE FIXED ASSETS**

**Group**

	Freehold property £	Short-term leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<b>COST OR VALUATION</b>						
At 1 February 2021	1,633,553	78,169	9,012,115	1,887,689	227,624	12,839,150
Additions	-	-	877,288	328,414	2,108	1,207,810
Disposals	-	-	(17,250)	(342,262)	(21,205)	(380,717)
At 31 January 2022	1,633,553	78,169	9,872,153	1,873,841	208,527	13,666,243
<b>Depreciation</b>						
At 1 February 2021	106,506	64,356	3,701,837	1,120,288	192,674	5,185,661
Charge for the year on owned assets	26,699	4,037	982,397	229,916	16,826	1,259,875
Disposals	-	-	(11,500)	(304,909)	(21,122)	(337,531)
At 31 January 2022	133,205	68,393	4,672,734	1,045,295	188,378	6,108,005
<b>Net book value</b>						
At 31 January 2022	1,500,348	9,776	5,199,419	828,546	20,149	7,558,238
At 31 January 2021	1,527,047	13,813	5,310,278	767,401	34,950	7,653,489

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 16. FIXED ASSET INVESTMENTS

#### Company

	Investments in subsidiary companies £
<b>COST OR VALUATION</b>	
At 1 February 2021	12,540,002
At 31 January 2022	<u>12,540,002</u>
<b>Impairment</b>	
At 1 February 2021	290,000
At 31 January 2022	<u>290,000</u>
<b>Net book value</b>	
At 31 January 2022	<u>12,250,002</u>
At 31 January 2021	<u>12,250,002</u>

### SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Connect Scaffolding Limited	Scaffolding specialists	Ordinary	100%
Dateland Properties Limited	Property investment	Ordinary	100%
Connect Access Limited	Scaffolding rental	Ordinary	100%
Archway Services Limited	Scaffolding specialists	Ordinary	100%

Archway Services Limited is exempt from the requirements of the Companies Act 2006 relating to the audit of its individual financial statements by virtue of section 479A.

**CONNECT ACCESS GROUP LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JANUARY 2022**

**17. DEBTORS**

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	2,346,981	2,429,933	-	-
Amounts owed by group undertakings	-	-	30,000	-
Other debtors	55,023	65,003	-	-
Prepayments and accrued income	470,956	534,286	-	-
	<u>2,872,960</u>	<u>3,029,222</u>	<u>30,000</u>	<u>-</u>

**18. CASH AND CASH EQUIVALENTS**

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>7,373,753</u>	<u>5,579,981</u>	<u>775</u>	<u>858</u>

**19. CREDITORS: Amounts falling due within one year**

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	143,383	242,706	-	-
Amounts owed to group undertakings	-	-	438,886	409,163
Corporation tax	-	340,562	207	49
Other taxation and social security	328,883	482,256	-	-
Other creditors	6,930	7,146	-	-
Accruals and deferred income	242,457	186,272	8,807	9,652
	<u>721,653</u>	<u>1,258,942</u>	<u>447,900</u>	<u>418,864</u>

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 20. FINANCIAL INSTRUMENTS

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>Financial assets</b>				
Financial assets measured at fair value through profit or loss	7,373,753	5,579,981	775	858
Financial assets that are debt instruments measured at amortised cost	2,387,273	2,494,936	30,000	147,000
	<u>9,761,026</u>	<u>8,074,917</u>	<u>30,775</u>	<u>147,858</u>
<b>Financial liabilities</b>				
Financial liabilities measured at amortised cost	(392,770)	(436,124)	(447,693)	(418,815)

Financial assets measured at fair value through profit or loss comprise cash at bank.

Financial assets that are debt instruments measured at amortised cost comprise or trade and other debtors.

Financial liabilities measured at amortised cost comprise of bank loans, trade and other creditors and accruals.

# CONNECT ACCESS GROUP LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022

### 21. DEFERRED TAXATION

#### Group

	2022 £	2021 £
At beginning of year	491,172	470,940
Charged to profit or loss	310,985	13,257
Arising on business combinations	-	6,975
<b>At end of year</b>	<b>802,157</b>	<b>491,172</b>

The provision for deferred taxation is made up as follows:

	Group 2022 £	Group 2021 £
Accelerated capital allowances	804,515	493,387
Other timing differences	(2,358)	(2,215)
	<b>802,157</b>	<b>491,172</b>

### 22. SHARE CAPITAL

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
12,000,000 (2021 - 12,000,000) Ordinary A shares of £1 each	12,000,000	12,000,000
125,000 (2021 - 125,000) Ordinary B shares of £1 each	125,000	125,000
	<b>12,125,000</b>	<b>12,125,000</b>

### 23. RESERVES

#### Capital redemption reserve

This reserve represents shares repurchased during prior periods.

#### Profit and loss account

This reserve represents accumulated comprehensive income less any dividends paid.

## **CONNECT ACCESS GROUP LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2022**

#### **24. PENSION COMMITMENTS**

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £109,645 (2021 - £116,899). Contributions totalling £5,615 (2021 - £16,667) were payable to the fund at the balance sheet date.

#### **25. COMMITMENTS UNDER OPERATING LEASES**

The Group and the Company had no commitments under non-cancellable operating leases at the reporting date.

#### **26. RELATED PARTY TRANSACTIONS**

During the year, the Group made payments in respect of hire of equipment totalling £265,126 (2021 - £1,322,250) to a partnership of which the Director is a Partner. The amount due from them at the year end was £27,493 (2021 - £27,975).

During the year, the Group received computer consultancy services totalling £NIL (2021 - £12,660), from a Company under common control of the Director. The amount owed to them at the year end was £NIL (2021 - £NIL).