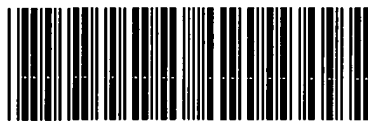


PAYE STONWORK & RESTORATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the Year Ended 31 August 2020

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COMPANIES HOUSE

STRATEGIC REPORT
For the Year Ended 31 August 2020

The directors present their strategic report for the year ended 31 August 2020.

Business review (including post balance sheet events)

In March 2020 the Government imposed strict measures on members of the public and businesses to control the spread of the Covid 19 virus. This resulted in work stopping on the majority of our projects and it was not until early July that we were able to work at near-normal levels. From the end of August and despite further 'lockdowns' our work has been able to proceed with relative normality.

Despite the considerable disruption to our business, we were still able, in the year to 31 August 2020, to achieve an increase in turnover to £38.2m (2019: £37.5m) whilst profit before tax rose to £3.23m (2019: £1.45m). These results were achieved as a result of careful and detailed planning and considerable effort and contribution from our staff and this is testament to our long-term commitment to the recruitment and training of talented people from a diverse range of backgrounds.

Our key objective continues to be to undertake work of the highest calibre at a cost which represents the greatest value for our clients. This principle serves us well as evidenced by the continuing demand for our services, in spite of the current uncertain economic climate. Whereas many of our projects are funded from within the UK, overseas investors continue to value our services in the residential, retail, commercial and leisure markets.

Our technical skills and commercial services are required by a wide range of publicly and privately funded clients, including museums, galleries, hotels, embassies, the Royal Household, the Parliamentary Estate, the Crown Estate, schools, churches and major infrastructure projects. The varied nature of this client base and the wide variety of work we undertake is regarded as being key to the success of the business. It is a key objective to always maintain this diversity.

Trading since the start of the financial year to 31 August 2021 has been good and liquidity remains strong. We currently have £25m of work secured on existing and future projects. These include both a number of large value projects and also small to medium sized contracts, the latter being the works on which PAYE has built its excellent reputation.

STRATEGIC REPORT (CONTINUED)
For the Year Ended 31 August 2020

Principal risks and uncertainties

The company's principal financial instruments comprise bank loan and overdraft facilities, lease contracts, cash and short-term deposits. The main purpose of these financial instruments is to provide finance for the company's operations. The company has various other financial instruments such as trade debtors and trade creditors, which arise directly from its operations. The company does not enter into derivative transactions.

It is the company's policy that no trading in financial instruments shall be undertaken. The main risks arising from the company's financial instruments are detailed below. The board reviews and agrees policies for managing each of these risks and they are summarised as follows:

Interest rate risk

The company's exposure to market risk for changes in interest rates relates primarily to the company's short-term debt obligations. The company's policy is to manage its interest cost using variable rate debt. The company exposure to interest rate fluctuations on its borrowings is managed by the use of floating facilities. The company finances specific vehicle and equipment acquisitions via contract hire and other operating lease arrangements.

Commodity price risk

The company's exposure to the price of stone is relatively high; therefore selling prices are monitored regularly to reduce the impact of such risk.

Credit risk

The company derives a major part of its income from trade with recognised, creditworthy third parties. It is company policy that all customers who wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are vigorously monitored on an ongoing basis with the result that the company's exposure to bad debts is reduced as far as possible.

Liquidity risk

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, contract hire and operating lease contracts.

Financial key performance indicators

Turnover increased to £38.2 million (2019: £37.5 million) whilst profit before taxation increased to £3,236,200 (2019: £1,451,053) and shareholders' funds increased to £1,897,308 (2019: £1,528,220).

This report was approved by the board on 12 March 2021 and signed on its behalf.



M R Harvey
Director

DIRECTORS' REPORT
For the Year Ended 31 August 2020

The directors present their report and the financial statements for the year ended 31 August 2020.

Principal activity

The company's principal activities during the year were those of cleaning masonry, repairing, extending and adapting historic facades.

Results and dividends

The profit for the year, after taxation, amounted to £2,629,567 (2019 - £1,150,851).

During the year dividends of £950,000 (2019: £248,156) were paid to the company's immediate parent undertaking.

Directors

The directors who served during the year were:

A P W Paye
P P Newsam
M R Harvey
M J Kember
R W Greer
A McNeill
G Staple
D J Devon (non-executive)
D J Peachey

Future developments

The company will continue its strategy of developing long-term relationships with key clients whilst at the same time fostering new links with organisations seen as being able to provide a steady source of future work.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Post balance sheet events

The business review within the strategic report addresses significant events affecting the company since the year end.

This report was approved by the board on 12 March 2021 and signed on its behalf.



M R Harvey
Director

**DIRECTORS' RESPONSIBILITIES STATEMENT
For the Year Ended 31 August 2020**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company'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 company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAYE STONEWORK & RESTORATION LIMITED

Opinion

We have audited the financial statements of Paye Stonework & Restoration Limited (the 'company') for the year ended 31 August 2020, which comprise the statement of comprehensive income, the statement of financial position, the 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 company's affairs as at 31 August 2020 and of its 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 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 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

PAYE STONEWORK & RESTORATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAYE STONEWORK & RESTORATION LIMITED (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

PAYE STONEWORK & RESTORATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PAYE STONEWORK & RESTORATION LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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

M Stallabass

Matthew Stallabass (senior statutory auditor)

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill
London
EC4M 7JW

Date: 12 March 2021

PAYE STONEWORK & RESTORATION LIMITED

STATEMENT OF COMPREHENSIVE INCOME For the Year Ended 31 August 2020

	Note	2020 £	2019 £
Turnover		38,186,836	37,466,158
Cost of sales		(30,667,414)	(31,149,093)
Gross profit		7,519,422	6,317,065
Administrative expenses		(4,708,953)	(4,866,393)
Other operating income	4	421,347	-
Operating profit	5	3,231,816	1,450,672
Interest receivable and similar income		4,632	1,511
Interest payable and expenses		(248)	(1,130)
Profit before tax		3,236,200	1,451,053
Tax on profit	8	(606,633)	(300,202)
Profit for the financial year		2,629,567	1,150,851

There was no other comprehensive income for 2020 (2019: £NIL).

The notes on pages 11 to 20 form part of these financial statements.

PAYE STONEWORK & RESTORATION LIMITED
Registered number: 02743908

STATEMENT OF FINANCIAL POSITION
As at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	9	71,487	67,290
Current assets			
Stocks		1,976	962
Debtors: amounts falling due after more than one year	10	949,602	1,144,850
Debtors: amounts falling due within one year	10	9,619,602	7,575,117
Cash at bank and in hand	11	3,619,348	2,145,845
		<u>14,190,528</u>	<u>10,866,774</u>
Creditors: amounts falling due within one year	12	(10,590,631)	(9,007,352)
Net current assets		<u>3,599,897</u>	<u>1,859,422</u>
Total assets less current liabilities		<u>3,671,384</u>	<u>1,926,712</u>
Creditors: amounts falling due after more than one year	13	(1,774,076)	(398,483)
Net assets		<u><u>1,897,308</u></u>	<u><u>1,528,229</u></u>
Capital and reserves			
Called up share capital	14	50,000	50,000
Profit and loss account		1,847,308	1,478,229
		<u><u>1,897,308</u></u>	<u><u>1,528,229</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 12 March 2021



P P Newsam
Director



M R Harvey
Director

The notes on pages 11 to 20 form part of these financial statements.

PAYE STONWORK & RESTORATION LIMITED

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 August 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 September 2018	50,000	1,640,609	1,690,609
Profit for the year	-	1,150,851	1,150,851
Gifts to Paye Employee Ownership Trust	-	(1,065,075)	(1,065,075)
Dividends: Equity capital	-	(248,156)	(248,156)
At 1 September 2019	50,000	1,478,229	1,528,229
Profit for the year	-	2,629,567	2,629,567
Gifts to Paye Employee Ownership Trust	-	(1,310,488)	(1,310,488)
Dividends: Equity capital	-	(950,000)	(950,000)
At 31 August 2020	50,000	1,847,308	1,897,308

The notes on pages 11 to 20 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2020

1. General information

The company is a private company (limited by shares) and its principal activities during the year were those of cleaning masonry, repairing, extending and adapting historic facades. The company's principal place of business and its registered office are located at Stationmasters House, Nottingham Station Approach, London, SE9 4EL, England, United Kingdom.

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 management to exercise judgment in applying the company's accounting policies (see note 3).

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A.

This information is included in the consolidated financial statements of Paye Stonework Investments Limited as at 31 August 2020 and these financial statements may be obtained from Companies House.

2.3 Going concern

The directors consider the going concern basis to be appropriate having paid due regard to the company's projected results during the twelve months from the date the financial statements are approved and the anticipated cash flows, availability of bank facilities and mitigating actions that can be taken during that period.

In arriving at the above assessment regarding going concern the directors have paid due regard to the impact of the ongoing Covid 19 pandemic on the company's and its group's business (see the strategic report for further information).

The directors are satisfied that if further lockdowns relating to the pandemic were to occur within the twelve months from the date of approval of the financial statements, that mitigating actions can be taken to ensure the company remains a going concern.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2020

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company 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:

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

2.5 Operating leases

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

2.6 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 statement of comprehensive income in the same period as the related expenditure.

2.7 Pensions

Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company 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 company in independently administered funds.

2.8 Taxation

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 operates and generates income.

**NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2020**

2. Accounting policies (continued)

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Non short term debtors 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.

2.10 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.

2.11 Creditors

Short term creditors are measured at transaction price. Non short term creditors are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.12 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the assets or liabilities affected in future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements include estimation, where applicable, for items relating to the carrying value of amounts recoverable under long-term contracts.

4. Other operating income

	2020	2019
	£	£
Government grants received	421,347	-

The government grants received in the year relate to monies received under the Coronavirus Job Retention Scheme.

PAYE STONEWORK & RESTORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 August 2020

5. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	24,668	18,015
Auditor's remuneration	30,000	29,000
Operating lease rentals: property leases	256,230	254,497

6. Employees

Staff costs, including directors' remuneration, were as follows:

	2020 £	2019 £
Wages and salaries	6,999,653	6,802,790
Social security costs	809,744	816,699
Cost of defined contribution pension scheme	367,703	293,846
	<u>8,177,100</u>	<u>7,913,335</u>

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

	2020 No.	2019 No.
Administrative staff	24	22
Contracts and site staff	99	94
	<u>123</u>	<u>116</u>

PAYE STONEWORK & RESTORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 August 2020

7. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	1,313,321	1,391,853
Company contributions to defined contribution pension schemes	82,507	87,911
	<u>1,395,828</u>	<u>1,479,764</u>

During the year retirement benefits were accruing to 8 directors (2019 - 8) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £193,861 (2019 - £209,186).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £13,939 (2019 - £13,161).

The directors are the key management of the company.

8. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	627,000	300,000
Adjustments in respect of previous periods	(20,367)	202
Total current tax	<u>606,633</u>	<u>300,202</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit before tax	<u>3,236,200</u>	<u>1,451,053</u>
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	614,878	275,700
Effects of:		
Adjustments to tax charge in respect of prior periods	(20,367)	202
Other differences	12,122	24,300
Total tax charge for the year	<u>606,633</u>	<u>300,202</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2020

8. Taxation (continued)

Factors that may affect future tax charges

There are no significant factors that may affect future tax charges.

9. Tangible fixed assets

	Plant & machinery £	Fixtures & fittings £	Motor vehicles £	Total £
Cost				
At 1 September 2019	99,360	60,153	13,990	173,503
Additions	27,205	2,360	-	29,565
Disposals	-	-	(6,995)	(6,995)
At 31 August 2020	126,565	62,513	6,995	196,073
Depreciation				
At 1 September 2019	76,702	17,853	11,658	106,213
Charge for the year on owned assets	19,028	4,125	1,515	24,668
Disposals	-	-	(6,295)	(6,295)
At 31 August 2020	95,730	21,978	6,878	124,586
Net book value				
At 31 August 2020	30,835	40,535	117	71,487
At 31 August 2019	22,658	42,300	2,332	67,290

PAYE STONEWORK & RESTORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the Year Ended 31 August 2020

10. Debtors

	2020 £	2019 £
Due after more than one year		
Amounts recoverable on long term contracts	949,602	1,144,850
	<u>949,602</u>	<u>1,144,850</u>
Due within one year		
Trade debtors	-	54,281
Amounts owed by group undertakings	-	950,000
Other debtors	138,602	233,487
Prepayments and accrued income	43,398	23,700
Amounts recoverable on long term contracts	9,437,602	6,313,649
	<u>9,619,602</u>	<u>7,575,117</u>

11. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	3,619,348	2,145,845

12. Creditors: Amounts falling due within one year

	2020 £	2019 £
Bank loans	100,000	-
Trade creditors	6,133,206	6,212,157
Corporation tax	366,000	92,264
Other taxation and social security	731,920	399,541
Other creditors	50,239	7,482
Accruals and deferred income	3,209,266	2,295,908
	<u>10,590,631</u>	<u>9,007,352</u>

The company's bank facilities are secured by a fixed and floating charge over the company's assets.

PAYE STONEWORK & RESTORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 August 2020

13. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	1,400,000	-
Trade creditors	374,076	398,483
	<u>1,774,076</u>	<u>398,483</u>

The bank loan detailed above and in the preceding note is repayable over a five year period in equal monthly instalments from June 2021 and attracts interest at 3.12% over the base rate.

14. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
50,000 (2019 - 50,000) Ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

15. Commitments under operating leases

At 31 August 2020 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2020 £	2019 £
Not later than 1 year	298,000	311,000
Later than 1 year and not later than 5 years	1,045,000	1,033,000
Later than 5 years	457,000	707,000
	<u>1,800,000</u>	<u>2,051,000</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 August 2020

16. Related party transactions

Paye Employee Ownership Trust ("the Trust")

The Trust is the company's ultimate parent undertaking, see the following note for further details.

On 7 September 2018 the company entered into a loan facility agreement ("LFA") with the Trust to assist in funding the acquisition of the entire issued share capital of Paye Stonework Investments Limited.

Under the LFA the company granted to the Trust a loan facility up to a maximum aggregate principal amount of £6,972,768.

During the year-ended 31 August 2020 gifts of £1,310,488 were made to the Trust.

The maximum available facility at 31 August 2020 was £5,134,585 of which up to £1,140,244 could be drawn down within the next twelve months.

At the date of approval of these financial statements the maximum available facility was £3,994,341 of which a maximum of £1,322,050 could be drawn down in the twelve months following the financial statements approval date.

To date the Trust has drawn down £Nil in respect of the LFA.

Goodwin Paye Partnership ("GPP")

A P W Paye and PP Newsam are directors of the company and partners of GPP. £90,000 (2019: £292,968) was charged during the year by GPP to the company for goods and services provided and an amount of £11,391 (2019: £Nil) was written off in respect of balances between the company and GPP. At 31 August 2020 included within trade creditors were amounts owed by the company to GPP of £27,100. At 31 August 2019 included within trade debtors were amounts owed by GPP to the company of £54,281.

Paye Stonework and Historic Facades Limited ("PSHF")

A P W Paye and P P Newsam are directors of the company and directors and shareholders of PSHF. £492,694 (2019: £1,918,335) was charged during the year by PSHF to the company for goods and services provided. At 31 August 2020 the company owed PSHF £114,833 (2019: £381,276) and this amount is included within trade creditors.

D J Peachey ("DJP")

Interest-free loans of £27,900 were made during previous years to DJP, a director and a further loan of £12,700 was made during the year ended 31 August 2020. The loans are being repaid in instalments and during the year £3,500 (2019: £2,700) was repaid. At the year-end DJP owed the company £28,000 (2019: £18,800).

M J Kember ("MJK")

Interest free loans of £57,049 were made during the year to MJK, a director. No repayments were made during the year, accordingly at the year-end MJK owed the company £57,049.

PAYE STONEWORK & RESTORATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 August 2020

17. Parent Undertakings and Controlling parties

Paye Stonework Holdings Limited ("PSHL") is the company's immediate parent undertaking.

Paye Stonework Investments Limited ("PSIL") is the immediate parent undertaking of PSHL.

PSIL prepares consolidated financial statements which are publicly available from Companies House whilst PSHL does not prepare consolidated financial statements.

Both PSHL and PSIL have the same registered offices and principal places of business as the company.

PSIL's immediate parent undertaking and the company's ultimate parent undertaking is Paye Employee Ownership Trust ("the Trust").

The Trust has no controlling party and does not prepare consolidated financial statements that are publicly available.