

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2020  
FOR  
HAYWARD SERVICES LIMITED**

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for the Year Ended 31 March 2020**

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**COMPANY INFORMATION**  
**for the Year Ended 31 March 2020**

**DIRECTORS:**

E I Gordon  
I D Forrest  
D Simpson  
S Walker  
Miss S Drews  
Mrs S Gordon  
Miss S Holden  
Mrs S Walker

**SECRETARY:**

R A C Sears

**REGISTERED OFFICE:**

227 Berwick Avenue  
Slough  
Berkshire  
SL1 4QT

**REGISTERED NUMBER:**

03090908 (England and Wales)

**SENIOR STATUTORY AUDITOR:**

Richard Oury

**AUDITORS:**

Oury Clark Chartered Accountants  
Statutory Auditors  
Herschel House  
58 Herschel Street  
Slough  
Berkshire  
SL1 1PG

**STRATEGIC REPORT  
for the Year Ended 31 March 2020**

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

**REVIEW OF BUSINESS**

Sales for the period ended 31 March 2020 were £16.02m (2019: £13.63m) and the gross margin was 23% (2019: 23%).

Operating profit was £1.01m (2019: £544k) and profit after tax was £845k (2019: £450k).

The directors are satisfied with the results for the year and the business continues to perform well in what is a competitive market place.

The business continues to grow with new contracts and is performing to a standard enabling it to retain re-tendered business, despite the Covid-19 crisis.

**KEY PERFORMANCE INDICATORS**

The business' main key performance indicators are income, wages costs, profit margins, cashflow and working capital, all of which are monitored by the directors and are currently showing no major issues for the foreseeable future.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Staff risk**

The smooth running of the business is dependent upon recruitment of cleaning operatives. The company expends considerable effort to recruit successfully at the sites where it provides service. Additionally, the support and training that is provided to operatives improves retention and reduces the recruitment requirement. Our senior and contract management teams are extremely stable.

**Credit risk**

Trade debtors are the company's principal financial asset yet the directors do not consider collection of them of any great risk. The company has a very good history of debt collection and there have been no bad debts to write off in recent years. A very large percentage of the company's customer base is made up of government departments and other extremely creditable organisations.

**Covid-19 crisis**

Since the start of 2020 the novel coronavirus pandemic has arisen and is affecting many businesses. This has had an effect on schools, colleges and universities due to closures, and therefore the company has been and will continue to be impacted.

There has been an initiative by the government whereby public sector bodies continue to pay their contractors, which has greatly helped the business' position.

A great deal of time, effort and money has been invested in ensuring the business is Covid-19 compliant in terms of office workspace and operational procedures on site. Our clients have had to be reactive to changing government guidance and this has stretched the business operationally. In addition, the company has made considerable capital investment in new misting technology in order to help our clients combat the spread of infection.

Overall, the business has managed to navigate the pandemic relatively unscathed financially, primarily because most of our contracts are in the education sector, which is government funded.

The directors are confident that even under the most pessimistic outcomes, the company will be able to remain profitable in 2020, with profits expected to at least match the previous year despite reduced opportunities for growth due to delays and cancellations of tendering processes.

**DISABLED EMPLOYEES**

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

In the event of employees becoming disabled, every effort is made to retrain them in order that their employment with the group may continue.

It is the policy of the group that training, career development and promotion opportunities should be made available to all employees.

**STRATEGIC REPORT  
for the Year Ended 31 March 2020**

**COMPLIANCE WITH GENDER PAY GAP REPORTING REQUIREMENTS**

Hayward Services Limited is required to publish its Gender Pay Gap details. However, as the requirement to publish data have been suspended due to the pandemic, Hayward Services will publish its results for the next financial year. These will be available on the company website.

**ON BEHALF OF THE BOARD:**

S Walker - Director

18 February 2021

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2020**

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

**DIVIDENDS**

An interim dividend of £537,000 was paid during the year, being £537 per share.

The total distribution of dividends for the period ended 31 March 2020 will be £537,000.

**FUTURE DEVELOPMENTS**

We recognise that a large percentage of the company's turnover is in the public sector and the directors plan to grow the commercial sector of the business in order to rebalance the contract portfolio over the next few years.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

E I Gordon  
I D Forrest  
D Simpson  
S Walker  
Miss S Drews  
Mrs S Gordon  
Miss S Holden  
Mrs S Walker

**EMPLOYEE INVOLVEMENT**

The company has continued its practice of keeping employees informed of matters affecting them as employees and of the financial and economic factors affecting the performance of the company.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**REPORT OF THE DIRECTORS  
for the Year Ended 31 March 2020**

**AUDITORS**

The auditors, Oury Clark Chartered Accountants, are deemed to be re-appointed under Section 487 (2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**

S Walker - Director

18 February 2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAYWARD SERVICES LIMITED**

### **Opinion**

We have audited the financial statements of Hayward Services Limited (the 'company') for the year ended 31 March 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HAYWARD SERVICES LIMITED**

### **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 Report of the Directors.

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

- adequate accounting records have not been kept, 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 Statement of Directors' Responsibilities set out on page four, 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 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.

### **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 a Report of the Auditors 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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 a Report of the Auditors 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 Oury (Senior Statutory Auditor)  
for and on behalf of Oury Clark Chartered Accountants  
Statutory Auditors  
Herschel House  
58 Herschel Street  
Slough  
Berkshire  
SL1 1PG

8 March 2021

**INCOME STATEMENT**  
**for the Year Ended 31 March 2020**

	Notes	31.3.20 £	31.3.19 £
<b>TURNOVER</b>		16,021,507	13,634,857
Cost of sales		<u>12,380,732</u>	<u>10,485,347</u>
<b>GROSS PROFIT</b>		3,640,775	3,149,510
Administrative expenses		<u>2,642,714</u>	<u>2,626,807</u>
		998,061	522,703
Other operating income		<u>9,798</u>	<u>21,090</u>
<b>OPERATING PROFIT</b>	4	1,007,859	543,793
Interest payable and similar expenses	5	<u>63</u>	<u>7</u>
<b>PROFIT BEFORE TAXATION</b>		1,007,796	543,786
Tax on profit	6	<u>163,534</u>	<u>93,679</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>844,262</u>	<u>450,107</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME**  
**for the Year Ended 31 March 2020**

	Notes	31.3.20 £	31.3.19 £
<b>PROFIT FOR THE YEAR</b>		844,262	450,107
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE YEAR</b>		<u>844,262</u>	<u>450,107</u>

**BALANCE SHEET**  
**31 March 2020**

	Notes	31.3.20 £	£	31.3.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	8		207,042		230,079
Investment property	9		<u>-</u>		<u>187,407</u>
			207,042		417,486
<b>CURRENT ASSETS</b>					
Stocks	10	72,606		64,913	
Debtors	11	2,853,592		3,191,644	
Cash at bank and in hand		<u>489,943</u>		<u>121,403</u>	
		3,416,141		3,377,960	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>2,499,519</u>		<u>2,903,723</u>	
<b>NET CURRENT ASSETS</b>			<u>916,622</u>		<u>474,237</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,123,664		891,723
<b>PROVISIONS FOR LIABILITIES</b>	15		<u>23,909</u>		<u>33,475</u>
<b>NET ASSETS</b>			<u>1,099,755</u>		<u>858,248</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	16		1,000		1,000
Revaluation reserve	17		-		65,755
Retained earnings	17		<u>1,098,755</u>		<u>791,493</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,099,755</u>		<u>858,248</u>

The financial statements were approved by the Board of Directors and authorised for issue on 18 February 2021 and were signed on its behalf by:

S Walker - Director

**STATEMENT OF CHANGES IN EQUITY**  
for the Year Ended 31 March 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 April 2018</b>	1,000	783,386	65,755	850,141
<b>Changes in equity</b>				
Dividends	-	(442,000)	-	(442,000)
Total comprehensive income	-	450,107	-	450,107
<b>Balance at 31 March 2019</b>	1,000	791,493	65,755	858,248
<b>Changes in equity</b>				
Dividends	-	(537,000)	-	(537,000)
Total comprehensive income	-	844,262	(65,755)	778,507
<b>Balance at 31 March 2020</b>	1,000	1,098,755	-	1,099,755

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
for the Year Ended 31 March 2020**

**1. STATUTORY INFORMATION**

Hayward Services Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 33.7.

**Significant judgements and estimates**

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

**Critical accounting judgements and key sources of estimation uncertainty**

Depreciation - management uses judgement to estimate the useful lives and residual value of depreciating tangible fixed assets.

Deferred tax - management uses judgement in concluding whether any possible deferred tax asset should be recognised.

**Turnover**

In respect of contracts for on-going services, turnover represents the apportioned contract value over the timeframe of the contract. Other incidental work is recognised evenly over the duration of the work completed.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 66.6% on cost and Straight line over 3 years
Motor vehicles	- Straight line over 4 years
Computer equipment	- 50% on cost

The directors deem that plant and machinery are disposed of after 5 years and so at the end of this period, a disposal is included to remove the accumulated cost and depreciation from the financial statements.

**Stocks**

Stocks relate to consumables and are therefore held at cost.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
for the Year Ended 31 March 2020**

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the relevant instrument, and derecognised when it ceases to be a party to such provisions.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of total comprehensive income are recognised immediately in profit or loss.

**Financial assets**

The Company classifies its financial assets into the categories, discussed below, due to the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

**Loans and receivables**

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of services to customers (e.g. trade debtors), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value, including transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost.

The Company's loans and receivables consist of trade and other debtors and prepayments included within the balance sheet. Cash and bank balances include cash held at bank and cash on hand.

Impairment provisions are recognised when there is objective evidence, for example, significant financial difficulties on the part of the counterparty, or default, or significant delay in payment, that the Company will be unable to collect all of the amounts due under the terms of the receivable. The amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

For certain categories of financial asset, such as trade debtors, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables includes the Company's past experience of collecting payments.

For trade debtors which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the statement of total comprehensive income. On confirmation that the trade receivables will not be collectable, the gross carrying value of the asset is written off against the associated provision. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

**Financial liabilities and equity**

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Ordinary shares are classified as equity; ordinary shares issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

Borrowings are initially recognised at fair value net of any directly attributable transaction costs. These interest-bearing liabilities are subsequently measured at amortised cost using the effective interest method, with the interest expense charged at a constant rate on the outstanding liabilities.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**2. ACCOUNTING POLICIES - continued****Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**3. EMPLOYEES AND DIRECTORS**

	31.3.20	31.3.19
	£	£
Wages and salaries	12,455,000	10,704,106
Social security costs	420,854	349,624
Other pension costs	404,942	364,950
	<u>13,280,796</u>	<u>11,418,680</u>

The average number of employees during the year was as follows:

	31.3.20	31.3.19
Head office	49	48
Site staff	<u>1,426</u>	<u>1,299</u>
	<u>1,475</u>	<u>1,347</u>

	31.3.20	31.3.19
	£	£
Directors' remuneration	277,174	256,896
Directors' pension contributions to money purchase schemes	<u>161,595</u>	<u>156,763</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**3. EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>6</u>	<u>6</u>
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Information regarding the highest paid director is as follows:

	31.3.20	31.3.19
	£	£
Emoluments etc	56,190	78,364
Pension contributions to money purchase schemes	<u>40,000</u>	<u>15,500</u>

**4. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	31.3.20	31.3.19
	£	£
Hire of plant and machinery	9,168	5,621
Other operating leases	73,542	80,374
Depreciation - owned assets	162,075	142,612
Profit on disposal of fixed assets	(88,498)	-
Auditors' remuneration	<u>20,000</u>	<u>20,000</u>

**5. INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.3.20	31.3.19
	£	£
Bank interest	<u>63</u>	<u>7</u>

**6. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.3.20	31.3.19
	£	£
Current tax:		
UK corporation tax	173,100	92,314
Deferred tax	(9,566)	1,365
Tax on profit	<u>163,534</u>	<u>93,679</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**6. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.20 £	31.3.19 £
Profit before tax	<u>1,007,796</u>	<u>543,786</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	191,481	103,319
Effects of:		
Expenses not deductible for tax purposes	3,597	(442)
Capital allowances in excess of depreciation	-	(1,524)
Depreciation in excess of capital allowances	3,138	-
Utilisation of group tax losses	(12,828)	(9,039)
Deferred tax liability movement	(9,566)	1,365
Capital gains	4,498	-
Profit on sale of investment property	<u>(16,786)</u>	<u>-</u>
Total tax charge	<u>163,534</u>	<u>93,679</u>

**7. DIVIDENDS**

	31.3.20 £	31.3.19 £
Ordinary shares of £1 each		
Final	<u>537,000</u>	<u>442,000</u>

**8. TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 April 2019	935,745	27,834	159,852	134,853	1,258,284
Additions	86,922	4,583	30,325	17,208	139,038
Disposals	<u>(53,999)</u>	<u>-</u>	<u>(11,590)</u>	<u>-</u>	<u>(65,589)</u>
At 31 March 2020	<u>968,668</u>	<u>32,417</u>	<u>178,587</u>	<u>152,061</u>	<u>1,331,733</u>
<b>DEPRECIATION</b>					
At 1 April 2019	792,449	10,262	109,369	116,125	1,028,205
Charge for year	114,049	5,883	28,236	13,907	162,075
Eliminated on disposal	<u>(53,999)</u>	<u>-</u>	<u>(11,590)</u>	<u>-</u>	<u>(65,589)</u>
At 31 March 2020	<u>852,499</u>	<u>16,145</u>	<u>126,015</u>	<u>130,032</u>	<u>1,124,691</u>
<b>NET BOOK VALUE</b>					
At 31 March 2020	<u>116,169</u>	<u>16,272</u>	<u>52,572</u>	<u>22,029</u>	<u>207,042</u>
At 31 March 2019	<u>143,296</u>	<u>17,572</u>	<u>50,483</u>	<u>18,728</u>	<u>230,079</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**9. INVESTMENT PROPERTY**

	Total £
<b>COST</b>	
At 1 April 2019	197,457
Disposals	<u>(197,457)</u>
At 31 March 2020	<u>-</u>
<b>DEPRECIATION</b>	
At 1 April 2019	10,050
Eliminated on disposal	<u>(10,050)</u>
At 31 March 2020	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u>-</u>
At 31 March 2019	<u><u>187,407</u></u>

The investment property was sold in May 2019.

**10. STOCKS**

	31.3.20 £	31.3.19 £
Stocks	<u>72,606</u>	<u>64,913</u>

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20 £	31.3.19 £
Trade debtors	2,016,008	2,348,060
Amounts owed by group undertakings	605,525	608,723
Other debtors	29,380	28,823
Prepayments	<u>202,679</u>	<u>206,038</u>
	<u><u>2,853,592</u></u>	<u><u>3,191,644</u></u>

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.3.20 £	31.3.19 £
Trade creditors	234,493	278,030
Tax	173,588	25,798
Social security and other taxes	185,155	184,556
VAT	635,558	456,744
Accruals and deferred income	<u>1,270,725</u>	<u>1,958,595</u>
	<u><u>2,499,519</u></u>	<u><u>2,903,723</u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**13. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.20	31.3.19
	£	£
Within one year	156,801	192,785
Between one and five years	295,024	66,709
In more than five years	<u>150,643</u>	<u>220,170</u>
	<u>602,468</u>	<u>479,664</u>

**14. SECURED DEBTS**

The following secured debts are included within creditors:

	31.3.20	31.3.19
	£	£
Guarantee bonds	<u>212,900</u>	<u>877,935</u>

Hayward Services Limited has guarantees in place with HSBC to cover liabilities relating to the pension schemes in place with TUPEd employees.

**15. PROVISIONS FOR LIABILITIES**

	31.3.20	31.3.19
	£	£
Deferred tax	<u>23,909</u>	<u>33,475</u>
		Deferred tax
		£
Balance at 1 April 2019		33,475
Provided during year		<u>(9,566)</u>
Balance at 31 March 2020		<u>23,909</u>

The deferred tax provision relates entirely to accelerated capital allowances.

**16. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.3.20	31.3.19
			£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Ordinary shares carry full and equal rights to participate in voting in all circumstances, in dividends and in capital distributions, whether on a winding up or otherwise.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**for the Year Ended 31 March 2020**

**17. RESERVES**

	Retained earnings £	Revaluation reserve £	Totals £
At 1 April 2019	791,493	65,755	857,248
Profit for the year	844,262		844,262
Dividends	(537,000)		(537,000)
Disposal	-	(65,755)	(65,755)
At 31 March 2020	<u>1,098,755</u>	<u>-</u>	<u>1,098,755</u>

**18. PENSION COMMITMENTS**

Pensions are paid one month in arrears and therefore at the year end there were outstanding pension contributions relating to March 2020 included in other creditors of £36,656.83 (2019: £25,898), of which £13,247 (2019: £13,247) relates to directors' pension contributions.

**19. RELATED PARTY DISCLOSURES**

During the year, Yoda Investments Ltd repaid Hayward Services Limited £4,576 (2019 - £4,307). Yoda Investments Ltd is a fellow subsidiary of Hayward Services Holdings Limited by virtue of its 90% share ownership. At the balance sheet date, Hayward Services Limited was owed £131,934 (2019 - £135,204)) by Yoda Investments Ltd.

**20. ULTIMATE PARENT COMPANY**

The immediate and ultimate parent undertaking is Hayward Services Holdings Limited by virtue of its 100% share ownership of Hayward Services Limited, a company incorporated in England. The registered office of Hayward Services Holdings is 227 Berwick Avenue, Slough, Berkshire, SL1 4QT.

**21. ULTIMATE CONTROLLING PARTY**

There is no ultimate controlling party.

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