

**Report of the Directors and
Unaudited Financial Statements for the Year Ended 31 March 2020
for
GRANT SERVICES LIMITED**

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FOR THE YEAR ENDED 31 MARCH 2020**

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GRANT SERVICES LIMITED

Company Information
FOR THE YEAR ENDED 31 MARCH 2020

DIRECTORS:
U B V Rees
B J Rees
S R G Tidder

SECRETARY:
S R G Tidder

REGISTERED OFFICE:
Unit 4 Brookside
Colne Way Industrial Estate
Watford
Hertfordshire
WD24 7QJ

REGISTERED NUMBER:
03110723 (England and Wales)

ACCOUNTANTS:
Diverset Limited
Chartered Accountants
Ferrari House
258 Field End Road
Ruislip
Middlesex
HA4 9UU

**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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of distribution and servicing of industrial and domestic vacuum cleaners and ancillary equipment.

REVIEW OF BUSINESS

The path and progress of our 2019 - 2020 accounting year was running as we had planned and expected, impacted at the very end by COVID19.

With the month of March being traditionally one of our best months, the COVID19 slowdown then lockdown resulted in a reduced turnover for this month. This resulted in a projected £40k profit for the year reversing to show a pre-tax profit of £500.

During the year, in a tight labour market, we invested £80k into recruitment and training of 4 additional breadwinners, (three in sales and one service engineer) as well as replacing one salesperson and one service engineer at the total cost of £120k. As a result, on an adjusted like for like basis, we consider the company made £87k profit but the investment in additional capacity stands us in good stead moving forward.

We have also been involved with research and development of very specialist equipment for sanitising operating theatres, wards, ambulances etc. We are also working on equipment of sanitising underground train stations and walkways. This work was being developed long before this current COVID19 epidemic and was inspired by the MRSA and Ebola and SARS Research. To date, we have invested £40,000 in materials and labour into these projects and are continuing to invest in currently.

We have raised and injected £90,000 in fresh funding into the company in this financial year to support this investment and projects and we expect to inject at least a further £200,000 in the coming year. We estimate that the pre COVID underlying value of the company to be in the range £2 - £3 million, based on its market share, positioning and networks but anticipate the value of the company to rise by at least another £1 million as we emerge from the immediate crisis.

Due to the current COVID19 epidemic we have revised our strategy, cut costs and accelerated diversification into new sectors, but particularly E-commerce and specialist contract cleaning, these two new income streams will open up new opportunities and once we return to more normal operations with clients in the Hotel and Leisure industry we expect to be on a new platform of rapid growth

2020-2021 is extremely difficult to forecast, but given the greater national focus on cleaning and hygiene, which is expected to be ongoing, by the middle of 2022 we expect the company to be returning to the path of our planned 5-year growth strategy.

**Report of the Directors
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS

The directors during the year under review were:

U B V Rees
B J Rees
S R G Tidder

The beneficial interests of the directors holding office on 31 March 2020 in the issued share capital of the company were as follows:

	31.3.20	1.4.19
Ordinary £1 shares		
U B V Rees	-	-
B J Rees	50	50
S R G Tidder	50	50

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

B J Rees - Director

8 March 2021

Balance Sheet
31 MARCH 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Tangible assets	4		333,899		346,633
CURRENT ASSETS					
Stocks		709,159		654,277	
Debtors	5	781,622		798,535	
Cash at bank and in hand		<u>5,601</u>		<u>11,724</u>	
		1,496,382		1,464,536	
CREDITORS					
Amounts falling due within one year	6	<u>1,394,618</u>		<u>1,453,799</u>	
NET CURRENT ASSETS			<u>101,764</u>		<u>10,737</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>435,663</u>		<u>357,370</u>
CREDITORS					
Amounts falling due after more than one year	7		(234,492)		(156,673)
PROVISIONS FOR LIABILITIES			<u>(47,240)</u>		<u>(12,050)</u>
NET ASSETS			<u><u>153,931</u></u>		<u><u>188,647</u></u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			<u>153,831</u>		<u>188,547</u>
SHAREHOLDERS' FUNDS			<u><u>153,931</u></u>		<u><u>188,647</u></u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Balance Sheet - continued
31 MARCH 2020

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 8 March 2021 and were signed on its behalf by:

B J Rees - Director

Notes to the Financial Statements
FOR THE YEAR ENDED 31 MARCH 2020

1. **STATUTORY INFORMATION**

Grant 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" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

In the light of the COVID-19 pandemic, the directors have concluded that the company is and remains a going concern based on extra funding secured and the forecast of business moving forward.

Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Tangible fixed assets

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

Land and buildings	- Straight line over the lease period
Plant and machinery etc	- 33% on reducing balance, 25% on reducing balance, 15% - 33% on reducing balance and 10% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

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.

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

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.

Covid-19 related government support

Where the company has received grants or other Government support in connection with COVID-19, these have been accounted as follows :

Government Assistance loans are recognised and accounted as other commercial loans. Where material, grants paid by Government to lenders for fees or first years interest are recognised as other income along with the related costs.

Government or Local Authority grants are recognised in the period in which they are received.

Coronavirus Job Retention Scheme Grants are recognised in the period to which they relate.

Rent or Rates holidays are accounted in the period to which they relate.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 38 (2019 - 37) .

4. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery etc £	Totals £
COST			
At 1 April 2019	255,277	709,030	964,307
Additions	-	38,043	38,043
At 31 March 2020	<u>255,277</u>	<u>747,073</u>	<u>1,002,350</u>
DEPRECIATION			
At 1 April 2019	190,538	427,136	617,674
Charge for year	12,000	38,777	50,777
At 31 March 2020	<u>202,538</u>	<u>465,913</u>	<u>668,451</u>
NET BOOK VALUE			
At 31 March 2020	<u>52,739</u>	<u>281,160</u>	<u>333,899</u>
At 31 March 2019	<u>64,739</u>	<u>281,894</u>	<u>346,633</u>

Notes to the Financial Statements - continued
FOR THE YEAR ENDED 31 MARCH 2020

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	729,644	767,089
Other debtors	51,978	31,446
	<u>781,622</u>	<u>798,535</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts	606,914	645,969
Hire purchase contracts	5,870	12,706
Trade creditors	590,538	636,686
Taxation and social security	157,170	102,675
Other creditors	34,126	55,763
	<u>1,394,618</u>	<u>1,453,799</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans	234,492	151,644
Hire purchase contracts	-	5,029
	<u>234,492</u>	<u>156,673</u>

8. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank overdrafts	488,570	562,639
Bank loans	352,836	234,974
Hire purchase contracts	5,870	17,735
	<u>847,276</u>	<u>815,348</u>

The overdraft (Invoice discounters advance) is secured against the debtors.

The HP liabilities are secured against the assets to which they relate.

The bank overdraft and loan accounts are also secured by personal guarantee of B Rees and S Tidder.

9. CONTROLLING PARTY

The company is controlled by B Rees and S Tidder, each being 50% shareholders.

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