

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020  
FOR  
A 2 C SERVICES LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	<b>Page</b>
<b>Company Information</b>	<b>1</b>
<b>Strategic Report</b>	<b>2</b>
<b>Report of the Directors</b>	<b>3</b>
<b>Report of the Independent Auditors</b>	<b>5</b>
<b>Income Statement</b>	<b>7</b>
<b>Other Comprehensive Income</b>	<b>8</b>
<b>Balance Sheet</b>	<b>9</b>
<b>Statement of Changes in Equity</b>	<b>10</b>
<b>Notes to the Financial Statements</b>	<b>11</b>

**A 2 C SERVICES LIMITED**  
**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**DIRECTORS:**

Mr L Best  
Mr S De Gruchy  
Mrs S A Neale  
Mr R J Neale  
Mr S P Taylor

**SECRETARY:**

Mrs S A Neale

**REGISTERED OFFICE:**

Unit E  
Railway Triangle, Walton Road  
Portsmouth  
PO6 1TY

**REGISTERED NUMBER:**

03434393 (England and Wales)

**AUDITORS:**

Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

**STRATEGIC REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their strategic report for the year ended 30 September 2020.

**Key performance indicators**

	2020	2019	Change	% Change
Turnover	30,153,718	17,397,520	12,756,198	73.32%
Gross profit	3,799,173	1,660,259	2,138,914	128.83%
Gross profit %	12.60%	9.54%		
Underlying pre tax profit	1,768,855	148,421	1,620,434	1,091.78%
Pre tax profit	1,229,521	405,605	823,916	203.13%

**REVIEW OF BUSINESS**

An excellent year, having invested in and development of our Laptop Remanufacturing program and obtaining an increase in working capital in February 2020, we were in a strong position. The global impact of Covid significantly increased demand within the IT equipment sector as a result of "Homeworking". The quality of our Remanufactured Laptops and shortages of available new equipment enabled us to promote our products as alternatives to new, as well as being able to trade in a buoyant market.

UK turnover has increased significantly, by 73.32% compared to the previous year, increasing to above £30 million.

Gross profit increased by £2,138,914 (an increase of 128.83%) because of the increased turnover and an increased gross profit % to 12.60% from 9.54% the previous year.

Underlying pre-tax profits (eliminating translational FX and one-off adjustments) were £1,768,855 (2019: £148,421). Pre-tax profit has increased by £823,916 (an increase of 203.13%), the company continued to significantly invest in our Laptop Remanufacturing Program to ensure we were able to produce very high quality Remanufactured Laptops which enabled them to be supplied as alternative to new, and the Circular Computing Brand, educating this new market towards Sustainable IT. The Board remain committed to Sustainable IT and anticipate growth through the coming years.

**PRINCIPAL RISKS AND UNCERTAINTIES**

Being an international trading company the most obvious risk is the exposure to foreign exchange. The company manage this risk by maintaining currency bank accounts in the currencies in which its trades and trying to minimise its exposure wherever possible. The impact of Covid to date has been positive for the company but the impact on the global economy remains uncertain.

**ON BEHALF OF THE BOARD:**

Mrs S A Neale - Director

24 June 2021

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The directors present their report with the financial statements of the company for the year ended 30 September 2020.

**DIVIDENDS**

An interim dividend of 250,000 per share was paid on 30 September 2020. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 30 September 2020 will be £ 500,000 .

**DIRECTORS**

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

Mr L Best  
Mr S De Gruchy  
Mrs S A Neale  
Mr R J Neale  
Mr S P Taylor

**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 30 SEPTEMBER 2020**

**AUDITORS**

The auditors, Gibson Whitter Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Mrs S A Neale - Director

24 June 2021

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF A 2 C SERVICES LIMITED**

### **Opinion**

We have audited the financial statements of A 2 C Services Limited (the 'company') for the year ended 30 September 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 30 September 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 A 2 C 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 three, 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.

Gavin Whitter (Senior Statutory Auditor)  
for and on behalf of Gibson Whitter Limited  
Statutory Auditors  
Larch House  
Parklands Business Park  
Denmead  
Hampshire  
PO7 6XP

25 June 2021



**INCOME STATEMENT  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Notes	30.9.20 £	30.9.19 £
<b>TURNOVER</b>	4	30,153,718	17,397,520
Cost of sales		<u>26,354,545</u>	<u>15,737,261</u>
<b>GROSS PROFIT</b>		3,799,173	1,660,259
Administrative expenses		<u>2,503,807</u>	<u>1,249,988</u>
<b>OPERATING PROFIT</b>	6	1,295,366	410,271
Interest receivable and similar income		<u>1,110</u>	<u>5</u>
		1,296,476	410,276
Interest payable and similar expenses	7	<u>66,955</u>	<u>4,671</u>
<b>PROFIT BEFORE TAXATION</b>		1,229,521	405,605
Tax on profit	8	<u>143,528</u>	<u>(31,845)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>1,085,993</u>	<u>437,450</u>

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	30.9.20 £	30.9.19 £
PROFIT FOR THE YEAR		1,085,993	437,450
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		-	-
FOR THE YEAR		<u>1,085,993</u>	<u>437,450</u>

**BALANCE SHEET**  
**30 SEPTEMBER 2020**

	Notes	30.9.20 £	£	30.9.19 £	£
<b>FIXED ASSETS</b>					
Intangible assets	10		262,793		-
Tangible assets	11		<u>12,952</u>		<u>20,499</u>
			275,745		20,499
<b>CURRENT ASSETS</b>					
Stocks	12	1,781,568		1,184,790	
Debtors	13	11,845,013		9,685,246	
Cash at bank and in hand		<u>470,015</u>		<u>808,798</u>	
		14,096,596		11,678,834	
<b>CREDITORS</b>					
Amounts falling due within one year	14	<u>2,993,078</u>		<u>954,317</u>	
<b>NET CURRENT ASSETS</b>			<u>11,103,518</u>		<u>10,724,517</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,379,263		10,745,016
<b>PROVISIONS FOR LIABILITIES</b>	19		<u>52,149</u>		<u>3,895</u>
<b>NET ASSETS</b>			<u>11,327,114</u>		<u>10,741,121</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		2		2
Retained earnings	21		<u>11,327,112</u>		<u>10,741,119</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>11,327,114</u>		<u>10,741,121</u>

The financial statements were approved and authorised for issue by the Board of Directors and authorised for issue on 24 June 2021 and were signed on its behalf by:

Mr R J Neale - Director

Mrs S A Neale - Director

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1 October 2018</b>	2	10,553,669	10,553,671
<b>Changes in equity</b>			
Dividends	-	(250,000)	(250,000)
Total comprehensive income	-	437,450	437,450
<b>Balance at 30 September 2019</b>	<u>2</u>	<u>10,741,119</u>	<u>10,741,121</u>
<b>Changes in equity</b>			
Dividends	-	(500,000)	(500,000)
Total comprehensive income	-	1,085,993	1,085,993
<b>Balance at 30 September 2020</b>	<u>2</u>	<u>11,327,112</u>	<u>11,327,114</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**1. STATUTORY INFORMATION**

A 2 C 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 requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of paragraphs 26.18(b), 26.19 to 26.21 and 26.23.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Computer software is being amortised evenly over its estimated useful life of eight years.

**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	- 25% on cost
Fixtures and fittings	- 25% on cost

**Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises all directly attributable costs incurred in bringing the stock to its current location and condition. Provision is made for obsolete, slow moving or defective items where appropriate.

**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.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. **ACCOUNTING POLICIES - continued**

**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.

**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. **JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historic experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Stock Valuation**

The company purchases significant quantities of varying stock in bulk from suppliers as part of a "Deal". The company then attributes a value to each individual asset included in the "Deal" based on its knowledge and experience, rather than equally across the assets, to ensure that the value is appropriate to the specification of the individual asset.

The directors judge this to be an appropriate basis to ensure that the value relates to the expected selling price so as to ensure profits are not overstated.

4. **TURNOVER**

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	30.9.20	30.9.19
	£	£
United Kingdom	7,820,561	2,995,365
Overseas	22,333,157	14,402,155
	<u>30,153,718</u>	<u>17,397,520</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**5. EMPLOYEES AND DIRECTORS**

	30.9.20	30.9.19
	£	£
Wages and salaries	1,446,419	1,001,359
Social security costs	145,438	98,794
Other pension costs	21,504	15,128
	<u>1,613,361</u>	<u>1,115,281</u>

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

	30.9.20	30.9.19
Administration staff	21	16
Production staff	<u>25</u>	<u>20</u>
	<u>46</u>	<u>36</u>

	30.9.20	30.9.19
	£	£
Directors' remuneration	237,944	192,335
Directors' pension contributions to money purchase schemes	<u>3,943</u>	<u>3,174</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
------------------------	----------	----------

Information regarding the highest paid director for the year ended 30 September 2020 is as follows:

	30.9.20
	£
Emoluments etc	86,851
Pension contributions to money purchase schemes	<u>1,315</u>

**6. OPERATING PROFIT**

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

	30.9.20	30.9.19
	£	£
Other operating leases	194,694	155,993
Depreciation - owned assets	11,947	18,617
Computer software amortisation	37,548	-
Auditors' remuneration	14,250	13,400
Foreign exchange differences	<u>211,839</u>	<u>(304,869)</u>

**7. INTEREST PAYABLE AND SIMILAR EXPENSES**

	30.9.20	30.9.19
	£	£
Bank interest	12,849	4,671
Other interest	<u>54,106</u>	<u>-</u>
	<u>66,955</u>	<u>4,671</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**8. TAXATION****Analysis of the tax charge/(credit)**

The tax charge/(credit) on the profit for the year was as follows:

	30.9.20 £	30.9.19 £
Current tax:		
UK corporation tax	115,316	-
R&D tax credit	-	(31,602)
Corporation tax prior years	(20,042)	-
Total current tax	<u>95,274</u>	<u>(31,602)</u>
Deferred tax	48,254	(243)
Tax on profit	<u>143,528</u>	<u>(31,845)</u>

**Reconciliation of total tax charge/(credit) 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:

	30.9.20 £	30.9.19 £
Profit before tax	<u>1,229,521</u>	<u>405,605</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	233,609	77,065
Effects of:		
Expenses not deductible for tax purposes	9,082	2,305
Group relief	(127,375)	(79,370)
Deferred tax movement	48,254	(243)
R&D tax credit	-	(31,602)
Corporation tax prior years	(20,042)	-
Total tax charge/(credit)	<u>143,528</u>	<u>(31,845)</u>

**9. DIVIDENDS**

	30.9.20 £	30.9.19 £
Ordinary shares of £1 each		
Interim	<u>500,000</u>	<u>250,000</u>



**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**10. INTANGIBLE FIXED ASSETS**

	Computer software £
<b>COST</b>	
Additions	300,341
At 30 September 2020	<u>300,341</u>
<b>AMORTISATION</b>	
Amortisation for year	37,548
At 30 September 2020	<u>37,548</u>
<b>NET BOOK VALUE</b>	
At 30 September 2020	<u>262,793</u>

**11. TANGIBLE FIXED ASSETS**

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 October 2019	48,166	50,139	156,209	254,514
Additions	-	4,400	-	4,400
At 30 September 2020	<u>48,166</u>	<u>54,539</u>	<u>156,209</u>	<u>258,914</u>
<b>DEPRECIATION</b>				
At 1 October 2019	46,448	49,334	138,233	234,015
Charge for year	1,718	1,909	8,320	11,947
At 30 September 2020	<u>48,166</u>	<u>51,243</u>	<u>146,553</u>	<u>245,962</u>
<b>NET BOOK VALUE</b>				
At 30 September 2020	-	3,296	9,656	12,952
At 30 September 2019	<u>1,718</u>	<u>805</u>	<u>17,976</u>	<u>20,499</u>

**12. STOCKS**

	30.9.20 £	30.9.19 £
Finished goods	<u>1,781,568</u>	<u>1,184,790</u>

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

	30.9.20 £	30.9.19 £
Trade debtors	2,478,449	575,752
Amounts owed by group undertakings	8,812,134	8,864,332
Other debtors	800	1,790
VAT	383,219	138,120
Prepayments and accrued income	170,411	105,252
	<u>11,845,013</u>	<u>9,685,246</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

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

	30.9.20	30.9.19
	£	£
Bank loans and overdrafts (see note 15)	1,321,734	-
Trade creditors	798,481	827,122
Amounts owed to group undertakings	380,891	-
Tax	138,124	-
Social security and other taxes	220,652	33,178
Other creditors	10,127	19,639
Directors' current accounts	-	9,600
Accruals and deferred income	123,069	64,778
	<u>2,993,078</u>	<u>954,317</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	30.9.20	30.9.19
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	755,121	-
Bank loans	566,613	-
	<u>1,321,734</u>	<u>-</u>

At the balance sheet date the company has a £800,000 loan facility. The balance outstanding at 30 September 2020 is £566,613. The loan is repayable by 28 February 2022, however, the loan shall not exceed zero for a period of not less than 5 successive business days in any 12 month period therefore it is shown in creditors due less than one year. Interest is charged at 2.05% above LIBOR. See note 17 for security on bank loan facility.

**16. LEASING AGREEMENTS**

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

	30.9.20	30.9.19
	£	£
Within one year	214,970	169,881
Between one and five years	178,696	343,344
	<u>393,666</u>	<u>513,225</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	30.9.20	30.9.19
	£	£
Bank overdrafts	755,121	-
Bank loans	566,613	-
	<u>1,321,734</u>	<u>-</u>

Bank loans and overdrafts are secured by a debenture and cross guarantee provided by all group companies.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 30 SEPTEMBER 2020**

**18. FINANCIAL COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES**

A 2 C Services Limited has provided a guarantee to the holders of the loan note instruments held within ATOC HOL Limited. At 30 September 2020 the total loan note instruments in issue, owed by ATOC HOL Limited was £9,725,000 (30.9.19: £10,725,000). No losses are expected to arise to A 2 C Services Limited as a result of this guarantee.

**19. PROVISIONS FOR LIABILITIES**

	30.9.20 £	30.9.19 £
Deferred tax	<u>52,149</u>	<u>3,895</u>
		Deferred tax £
Balance at 1 October 2019		3,895
Provided during year		<u>48,254</u>
Balance at 30 September 2020		<u>52,149</u>

**20. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	30.9.20 £	30.9.19 £
2	Ordinary	£1	<u>2</u>	<u>2</u>

**21. RESERVES**

	Retained earnings £
At 1 October 2019	10,741,119
Profit for the year	1,085,993
Dividends	<u>(500,000)</u>
At 30 September 2020	<u>11,327,112</u>

**22. RELATED PARTY DISCLOSURES**

The aggregate amount owed to the directors at the balance sheet date is £Nil (30.9.19: £9,600).

During the year, a total of key management personnel compensation of £ 364,090 (2019 - £ 238,389 ) was paid.

**23. ULTIMATE CONTROLLING PARTY**

The parent company of A 2 C Services Limited is A 2 C Holdings Limited, a company registered in England and Wales.

The company was under control of ATOC HOL Limited, a company incorporated in England and Wales. ATOC HOL Limited is considered to be the largest group for which the company is included in consolidated financial statements. The ultimate controlling party of ATOC HOL Limited is considered to be Mr R Neale and Mrs S Neale by virtue of their shareholding. Copies of the consolidated financial statements are available from the company's registered office.

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.