

Company registration number: 03498840

S & V E Williams Limited

Financial statements

31 December 2021

S & V E Williams Limited

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S & V E Williams Limited

Directors and other information

Directors	S Williams Mrs V E Williams
Secretary	Mrs V E Williams
Company number	03498840
Registered office	28-30 Grange Road West Birkenhead Merseyside CH41 4DA
Auditor	Robert S Boys Ltd 28-30 Grange Road West Birkenhead Merseyside CH41 4DA

Bankers

The Royal Bank of Scotland Plc
St Ann Street
Manchester
M60 2SS
HSBC UK
17-19 Regent Street
Wrexham
LL11 1RN

S & V E Williams Limited

Strategic report

Year ended 31 December 2021

Principal activity

The principal activity of the company during the year was that of a chain of fast food restaurants.

Business review

The external commercial environment is expected to remain competitive, however, we remain confident that we will build on our current level of performance in the future.

Principal risks and uncertainties

As a franchisee the company is fully supported by a global organisation which minimises the brands risks and uncertainties. The company values safe, quality food which is affordable and convenient.

Performance and position

The company has had a successful year despite the COVID-19 pandemic with profits on ordinary activities before taxation of £3,465,078 compared to profits of £727,565 in 2020. This is based on a significantly reduced turnover in 2020 due to national and local lock downs from the pandemic requiring the restaurants to close and once re-opened only offering drive-thru and take out services for a period of time. The business was assisted by a number of government backed grants to mitigate as best possible the impact of the pandemic on the business and its retention of its staff. The gross profit margin rose by 10.1% to 41.6% in 2021 compared with 31.5% in 2020. The net profit margin has risen from 3.9% in 2020 to 11.2% in 2021. The company recognises its responsibility to protect and preserve the environment for future generations to come. The company has a policy of employing local people representing the communities in which we operate. The company also operates a code of conduct with regards to human rights.

Future Development

The company is striving to expand in the future with the addition of further restaurants within the business.

This report was approved by the board of directors on 8 July 2022 and signed on behalf of the board by:

S Williams

Director

S & V E Williams Limited

Directors report

Year ended 31 December 2021

The directors present their report and the financial statements of the company for the year ended 31 December 2021.

Directors

The directors who served the company during the year were as follows:

S Williams

Mrs V E Williams

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Employment of disabled persons

The company is an equal opportunity employer and one of their greatest strengths is their diverse workforce. The company recognises the importance of being an inclusive employer and employs on the basis of qualities regardless of disability or qualifications.

Employee involvement

The company has an excellent training programme and opportunities to suit individual employee ambitions to aid career development and promotion.

Financial instruments

The key business risks and uncertainties affecting the company are considered to relate to competition and the economic climate.

Disclosure of information in the strategic report.

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 the company has set out in the company's strategic report information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

Directors responsibilities statement

The directors are responsible for preparing the strategic report, 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 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 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 judgments and accounting estimates that are reasonable and prudent; and
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and -
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 08 July 2022 and signed on behalf of the board by:

S Williams

Director

S & V E Williams Limited

Independent auditor's report to the members of

S & V E Williams Limited

Year ended 31 December 2021

Opinion

We have audited the financial statements of S & V E Williams Limited (the 'company') for the year ended 31 December 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows 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 FRS 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 December 2021 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 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

In auditing the financial statements, We have concluded that the directors use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work We have performed, We have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 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 has 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 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 the 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, 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.

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. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below: As part of an audit in accordance with ISAs (UK), We exercise professional judgment and maintain professional scepticism throughout the audit. We also: - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors. - Conclude on the appropriateness of the directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If We conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that We identify during our audit.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Richard I Coulthard (Senior Statutory Auditor)

For and on behalf of

Robert S Boys Ltd

Statutory Auditor

28-30 Grange Road West

Birkenhead

Merseyside

CH41 4DA

08 July 2022

S & V E Williams Limited

Statement of income and retained earnings

Year ended 31 December 2021

		2021	2020
	Note	£	£
Turnover	4	30,952,855	18,890,124
Cost of sales		(18,089,739)	(12,944,917)
		<u>12,863,116</u>	<u>5,945,207</u>
Gross profit			
Administrative expenses		(9,503,742)	(6,670,699)
Other operating income	5	112,328	1,467,197
		<u>3,471,702</u>	<u>741,705</u>
Operating profit	6		
Other interest receivable and similar income	10	368	2,066
Interest payable and similar expenses	11	(6,992)	(16,206)
Profit before taxation		3,465,078	727,565
Tax on profit	12	(665,686)	(190,799)
		<u>2,799,392</u>	<u>536,766</u>
Profit for the financial year and total comprehensive income			
Dividends declared and paid or payable during the year	13	(115,000)	(110,000)
Retained earnings at the start of the year		2,367,105	1,940,339
		<u>5,051,497</u>	<u>2,367,105</u>
Retained earnings at the end of the year			

All the activities of the company are from continuing operations.

S & V E Williams Limited

Statement of financial position

31 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	14	112,375	91,375
Tangible assets	15	2,199,898	2,512,364
		<u>2,312,273</u>	<u>2,603,739</u>
Current assets			
Stocks	16	125,019	106,984
Debtors	17	118,905	86,413
Investments	18	10,000	10,000
Cash at bank and in hand		5,333,863	3,009,195
		<u>5,587,787</u>	<u>3,212,592</u>
Creditors: amounts falling due within one year	19	(2,705,970)	(2,702,209)
Net current assets		<u>2,881,817</u>	<u>510,383</u>
Total assets less current liabilities		<u>5,194,090</u>	<u>3,114,122</u>
Creditors: amounts falling due after more than one year	20	-	(618,948)
Provisions for liabilities	21	(142,493)	(127,969)
Net assets		<u>5,051,597</u>	<u>2,367,205</u>
Capital and reserves			
Called up share capital	25	100	100
Profit and loss account	26	5,051,497	2,367,105
Shareholders funds		<u>5,051,597</u>	<u>2,367,205</u>

These financial statements were approved by the board of directors and authorised for issue on 08 July 2022 , and are signed on behalf of the board by:

S Williams

Director

Company registration number: 03498840

S & V E Williams Limited**Statement of cash flows****Year ended 31 December 2021**

	2021	2020
	£	£
Cash flows from operating activities		
Profit for the financial year	2,799,392	536,766
<i>Adjustments for:</i>		
Depreciation of tangible assets	820,269	818,696
Amortisation of intangible assets	9,000	114,556
Government grant income	(93,201)	(1,467,197)
Other interest receivable and similar income	(368)	(2,066)
Interest payable and similar expenses	6,992	16,206
Tax on profit	665,686	190,799
Accrued expenses/(income)	88,627	11,580
<i>Changes in:</i>		
Stocks	(18,035)	(4,060)
Trade and other debtors	(32,492)	532
Trade and other creditors	(133,338)	(17,972)
Cash generated from operations	<u>4,112,532</u>	<u>197,840</u>
Interest paid	(6,992)	(16,206)
Interest received	368	2,066
Tax paid	(234,477)	(282,086)
Net cash from/(used in) operating activities	<u>3,871,431</u>	<u>(98,386)</u>
Cash flows from investing activities		
Purchase of tangible assets	(507,803)	(144,310)
Purchase of intangible assets	(30,000)	-
Net cash used in investing activities	<u>(537,803)</u>	<u>(144,310)</u>
Cash flows from financing activities		
Proceeds from borrowings	(987,161)	(209,657)
Government grant income	93,201	1,467,197
Equity dividends paid	(115,000)	(110,000)
Net cash (used in)/from financing activities	<u>(1,008,960)</u>	<u>1,147,540</u>
Net increase/(decrease) in cash and cash equivalents	<u>2,324,668</u>	<u>904,844</u>
Cash and cash equivalents at beginning of year	<u>3,009,195</u>	<u>2,104,351</u>

Cash and cash equivalents at end of year

5,333,863 3,009,195

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S & V E Williams Limited

Notes to the financial statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is 28-30 Grange Road West, Birkenhead, Merseyside, CH41 4DA.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The financial statements are prepared in sterling, which is the functional currency of the entity.

Turnover

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at a revalued amount, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses. Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably .

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill	- 3 years
Other intangible assets	- 5-20 years

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 15 % straight line
Fittings fixtures and equipment	- 15 % straight line
Motor vehicles	- 15 % straight line
Computer equipment	- 20 % straight line

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets .

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense. Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument. Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Debt instruments are subsequently measured at amortised cost. Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment. Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately. For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics. Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund. When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised in finance costs in profit or loss in the period in which it arises.

4. Turnover

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2021	2020
	£	£
Government grant income	93,201	1,467,197
Other operating income	19,127	-
	<u>112,328</u>	<u>1,467,197</u>

6. Operating profit

Operating profit is stated after charging/(crediting):

	2021	2020
	£	£
Amortisation of intangible assets	9,000	114,556
Depreciation of tangible assets	820,269	818,696
Fees payable for the audit of the financial statements	3,600	3,500
	<u></u>	<u></u>

7. Auditors remuneration

	2021	2020
	£	£
Fees payable to Robert S Boys Ltd		
Fees payable for the audit of the financial statements	3,600	3,500
	<u></u>	<u></u>
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	4,100	5,575
	<u></u>	<u></u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2021	2020
Staff	614	729
Management	32	31
	<u>646</u>	<u>760</u>

The aggregate payroll costs incurred during the year were:

	2021	2020
	£	£
Wages and salaries	7,102,758	6,516,451
Social security costs	310,889	266,892
Other pension costs	283,072	133,486
	<u>7,696,719</u>	<u>6,916,829</u>

9. Directors remuneration

The directors aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	34,929	34,566
Company contributions to pension schemes in respect of qualifying services	22	2,129
	<u>34,951</u>	<u>36,695</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2021	2020
	Number	Number
Defined contribution plans	2	2

10. Other interest receivable and similar income

	2021	2020
	£	£
Bank deposits	355	2,039
Other interest receivable and similar income	13	27
	<u>368</u>	<u>2,066</u>

11. Interest payable and similar expenses

	2021	2020
	£	£
Bank loans and overdrafts	6,992	16,206

12. Tax on profit

Major components of tax expense

	2021	2020
	£	£
Current tax:		
UK current tax expense	651,162	234,491
Deferred tax:		
Origination and reversal of timing differences	14,524	(43,692)
Tax on profit	665,686	190,799

Reconciliation of tax expense

The tax assessed on the profit for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19.00 % (2020: 19.00%).

	2021	2020
	£	£
Profit before taxation	3,465,078	727,565
Profit multiplied by rate of tax	658,365	138,237
Effect of capital allowances and depreciation	(7,203)	96,254
Tax on profit	651,162	234,491

13. Dividends

Equity dividends

	2021	2020
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	115,000	110,000

14. Intangible assets

	Goodwill	Franchise fees	Total
	£	£	£
Cost			
At 1 January 2021	1,327,688	195,000	1,522,688
Additions	-	30,000	30,000
Disposals	-	(30,000)	(30,000)
At 31 December 2021	1,327,688	195,000	1,522,688
At 1 January 2021 and 31 December 2021	1,327,688	195,000	1,522,688
Amortisation			
At 1 January 2021	1,327,688	103,625	1,431,313
Charge for the year	-	9,000	9,000
Disposals	-	(30,000)	(30,000)
At 31 December 2021	1,327,688	82,625	1,410,313
Carrying amount			
At 31 December 2021	-	112,375	112,375
At 31 December 2020	-	91,375	91,375

15. Tangible assets

	Plant and machinery	Fixtures, fittings and equipment	Motor vehicles	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 January 2021	6,106,674	76,377	28,125	1,556	6,212,732
Additions	507,803	-	-	-	507,803
Disposals	(22,115)	-	-	-	(22,115)
At 31 December 2021	6,592,362	76,377	28,125	1,556	6,698,420
Depreciation					
At 1 January 2021	3,613,294	76,377	9,141	1,556	3,700,368
Charge for the year	816,050	-	4,219	-	820,269
Disposals	(22,115)	-	-	-	(22,115)
At 31 December 2021	4,407,229	76,377	13,360	1,556	4,498,522
Carrying amount					
At 31 December 2021	2,185,133	-	14,765	-	2,199,898

At 31 December 2020

<u>2,493,380</u>	<u>-</u>	<u>18,984</u>	<u>-</u>	<u>2,512,364</u>
<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

16. Stocks

	2021	2020
	£	£
Raw materials	125,019	106,984
	<u> </u>	<u> </u>

17. Debtors

	2021	2020
	£	£
Trade debtors	69	105
Prepayments and accrued income	32,717	33,965
Other debtors	86,119	52,343
	<u> </u>	<u> </u>
	118,905	86,413
	<u> </u>	<u> </u>

18. Investments

	2021	2020
	£	£
Other investments	10,000	10,000
	<u> </u>	<u> </u>

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts	-	419,052
Trade creditors	872,945	1,230,746
Accruals and deferred income	510,044	421,417
Corporation tax	651,149	234,464
Social security and other taxes	554,834	333,000
Director loan accounts	110,506	59,667
Other creditors	6,492	3,863
	<u> </u>	<u> </u>
	2,705,970	2,702,209
	<u> </u>	<u> </u>

20. Creditors: amounts falling due after more than one year

	2021	2020
	£	£
Bank loans and overdrafts	-	618,948
	=====	=====

21. Provisions

Deferred tax (note 22)	Total
£	£
At 1 January 2021 and 31 December 2021	142,493
	=====

22. Deferred tax

The deferred tax included in the statement of financial position is as follows:

2021	2020
£	£
Included in provisions (note 21)	127,969
	=====

The deferred tax account consists of the tax effect of timing differences in respect of:

2021	2020
£	£
Accelerated capital allowances	127,969
	=====

23. Employee benefits

The amount recognised in profit or loss in relation to defined contribution plans was £ 283,072 (2020: £ 133,486).

24. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021	2020
	£	£
Recognised in other operating income:		
Government grants recognised directly in income	93,201	1,467,197
	<u> </u>	<u> </u>

25. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	100	100	100	100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

26. Reserves

Profit and loss account: This reserve records retained earnings and accumulated losses.

27. Analysis of changes in net debt

	At 1 January 2021	Cash flows	At 31 December 2021
	£	£	£
Cash and cash equivalents	3,009,195	2,324,668	5,333,863
Debt due within one year	(478,719)	368,213	(110,506)
Debt due after one year	(618,948)	618,948	-
Current asset investments	10,000	-	10,000
	<u> </u>	<u> </u>	<u> </u>
	1,921,528	3,311,829	5,233,357
	<u> </u>	<u> </u>	<u> </u>

28. Related party transactions

During the year the company paid £86,250 to Mr S Williams and £28,750 to Mrs V E Williams in dividends.

29. Controlling party

Mr S Williams , a director and majority shareholder, is considered to have a controlling interest in the company.

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