

Company registration number 04399985 (England and Wales)

# **ICS UMBRELLA LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

## ICS UMBRELLA LTD

### COMPANY INFORMATION

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<b>Directors</b>	Mr J Lyon ICS Directors Limited
<b>Secretary</b>	ICS Secretaries Limited
<b>Company number</b>	04399985
<b>Registered office</b>	2 Mannin Way Lancaster LA1 3SU
<b>Auditor</b>	MHA Moore and Smalley Richard House 9 Winckley Square Preston PR1 3HP

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## ICS UMBRELLA LTD

### CONTENTS

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	<b>Page</b>
Strategic report	1 - 2
Directors' report	3 - 4
Directors' responsibilities statement	5
Independent auditor's report	6 - 8
Profit and loss account	9
Statement of comprehensive income	10
Balance sheet	11
Statement of changes in equity	12
Statement of cash flows	13
Notes to the financial statements	14 - 21

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# **ICS UMBRELLA LTD**

## **STRATEGIC REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2022**

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The directors present the strategic report for the year ended 31 March 2022.

#### **Fair review of the business**

The company's principal activity is that payroll services in the contractor sector. During the year turnover has increased from £91,659k to £155,315k due to the increase activity and wage inflation.

#### **Principal risks and uncertainties**

The directors have assessed the main risks facing the company as follows:

**Regulatory risk:** Changes in employment law and tax legislation are the primary regulatory risk that the business faces. The company reviews any proposed changes to legislation and plans accordingly to ensure that systems and processes are developed to ensure ongoing compliance.

**Credit risk:** The risk that customers or counterparties will not be able to meet their obligations is managed by specific policies and procedures which ensure that payment terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

**Operational risk:** The nature of the company's business requires the processing of large numbers of transactions quickly, efficiently and accurately. The key risks which arise as a result are fraud, error, incomplete documentation, system failure or shortage of capacity or resource. The company invests in technology, develops efficient processes, undertakes staff training and implements risk control procedures to mitigate these risks.

#### **Development and performance**

At the year end the company had shareholders' funds of £28.9k (2020: £10.9k). The cash position stood at £9,929k (2021: £6,222k).

#### **Key performance indicators**

The directors monitor the performance of the company against annual budgets, re-forecasts and sector competitors.

Debtors Day are 2.6, which is an acceptable result.

The current ratio is 2.6:1, which is an acceptable level of liquidity.

#### **Future developments**

The directors believe the quality of our services will help to see growth and satisfactory trading results for the coming year.

#### **Financial risk management objectives and policies**

The company makes little use of financial instruments other than an operational bank account and so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities and financial position and profit or loss of the company.

#### **S172 statement**

Section 172 of the Companies Act, 2006 requires the directors of ICS Umbrella Limited to act in a way which they consider promotes the long-term benefit of its members as a whole. In doing so, the directors take due consideration, amongst other matters, to:

## ICS UMBRELLA LTD

### STRATEGIC REPORT (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

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- the likely consequences of any decision in the long term

The Board of directors are committed to promoting the success of the company for the benefit of its stakeholders, including shareholders; employees and their families; customers; suppliers; and the community.

The company conducts regular board meetings to monitor and appraise the company's progress against its strategic priorities.

- the interests of the company's employees

Information about matters of concern to colleagues is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

- the need to foster the company's business relationships with suppliers, customers and others

The company actively reviews its approach to fostering long term business relationships with its customers, suppliers, and other stakeholders, always seeking to operate in a manner aligned with its values and with integrity.

The company regards regulatory compliance with the utmost importance, and we seek to foster open and productive relationships with all relevant regulatory bodies.

- the impact of the company's operations on the community and the environment

The Board also regularly considers its environmental, corporate social responsibility, and risk management approach.

- the desirability of the company maintaining a reputation for high standards of business conduct

Training is provided to directors and senior managers on corporate governance and covers such areas as Responsibilities of Directors, GDPR, Bribery Act and Health and Safety requirements.

On behalf of the board

**Mr J Lyon**  
Director

4 November 2022

## **ICS UMBRELLA LTD**

### **DIRECTORS' REPORT**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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The directors present their annual report and financial statements for the year ended 31 March 2022.

#### **Principal activities**

The principal activity of the company continued to be that of payroll services and accountants to the contracting sector.

#### **Results and dividends**

The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr J Lyon  
ICS Directors Limited

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The company's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the company's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the company's performance.

#### **Auditor**

The auditor, MHA Moore and Smalley, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

#### **Energy and carbon report**

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

#### **Strategic report**

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

## **ICS UMBRELLA LTD**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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##### **Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

**Mr J Lyon**  
**Director**

4 November 2022

## **ICS UMBRELLA LTD**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 31 MARCH 2022**

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The directors are responsible for preparing the annual 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 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.



## ICS UMBRELLA LTD

### INDEPENDENT AUDITOR'S REPORT

#### TO THE MEMBERS OF ICS UMBRELLA LTD

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#### Opinion

We have audited the financial statements of ICS Umbrella Ltd (the 'company') for the year ended 31 March 2022 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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 2022 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.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included a review of the company forecasts covering at least twelve months from the approval of the financial statements, along with the post year end management accounts. We observed that there appears to be sufficient financial resources to continue trading for at least twelve months from the approval of the financial statements.

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 contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

## **ICS UMBRELLA LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ICS UMBRELLA LTD**

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

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

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

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 procedures we carried out and the extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

## **ICS UMBRELLA LTD**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE MEMBERS OF ICS UMBRELLA LTD**

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- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations;
- Enquires with management about any known or suspected instances of fraud;
- Examination of journal entries and other adjustments to test for appropriateness and identify any instances of management override of controls;
- Review of legal and professional expenditure to identify any evidence of ongoing litigation or enquiries.

Because of the field in which the client operates we identified that employment law, health and safety legislation, tax legislation and compliance with the UK Companies Act are the areas most likely to have a material impact on the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### **Use of our report**

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

**Jonathan Pinder (Senior Statutory Auditor)**  
**For and on behalf of MHA Moore and Smalley**  
**Chartered Accountants**  
**Statutory Auditor**

Richard House  
9 Winckley Square  
Preston  
PR1 3HP

4 November 2022

**ICS UMBRELLA LTD****PROFIT AND LOSS ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
<b>Turnover</b>	<b>3</b>	155,314,677	91,659,288
Administrative expenses		(155,299,733)	(92,325,296)
Other operating income		-	686,993
<b>Operating profit</b>	<b>4</b>	14,944	20,985
Interest receivable and similar income	<b>7</b>	3,080	229
<b>Profit before taxation</b>		18,024	21,214
Tax on profit	<b>8</b>	-	(13,706)
<b>Profit for the financial year</b>		18,024	7,508

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**ICS UMBRELLA LTD****STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 MARCH 2022**

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	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit for the year	18,024	7,508
Other comprehensive income	-	-
	<hr/>	<hr/>
Total comprehensive income for the year	18,024	7,508
	<hr/>	<hr/>

**ICS UMBRELLA LTD****BALANCE SHEET****AS AT 31 MARCH 2022**

	Notes	2022 £	£	2021 £	£
<b>Current assets</b>					
Debtors	9	5,733,954		4,505,110	
Cash at bank and in hand		9,929,259		6,222,403	
		<u>15,663,213</u>		<u>10,727,513</u>	
<b>Creditors: amounts falling due within one year</b>	10	<u>(15,634,185)</u>		<u>(10,716,509)</u>	
<b>Net current assets</b>			29,028		11,004
			<u><u>29,028</u></u>		<u><u>11,004</u></u>
<b>Capital and reserves</b>					
Called up share capital	12		100		100
Profit and loss reserves			28,928		10,904
			<u>28,928</u>		<u>10,904</u>
<b>Total equity</b>			<u><u>29,028</u></u>		<u><u>11,004</u></u>

The financial statements were approved by the board of directors and authorised for issue on 4 November 2022 and are signed on its behalf by:

**Mr J Lyon**  
**Director**

**Company Registration No. 04399985**

**ICS UMBRELLA LTD****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022**

	<b>Share capital</b>	<b>Profit and loss reserves</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Balance at 1 April 2020</b>	100	3,396	3,496
<b>Year ended 31 March 2021:</b>			
Profit and total comprehensive income for the year	-	7,508	7,508
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2021</b>	100	10,904	11,004
<b>Year ended 31 March 2022:</b>			
Profit and total comprehensive income for the year	-	18,024	18,024
	<hr/>	<hr/>	<hr/>
<b>Balance at 31 March 2022</b>	100	28,928	29,028
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# ICS UMBRELLA LTD

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	16	3,425,675		1,547,741	
Income taxes refunded/(paid)		278,101		(329,009)	
<b>Net cash inflow from operating activities</b>		<u>3,703,776</u>		<u>1,218,732</u>	
<b>Investing activities</b>					
Interest received		<u>3,080</u>		<u>229</u>	
<b>Net cash generated from investing activities</b>			3,080		229
<b>Net increase in cash and cash equivalents</b>		<u>3,706,856</u>		<u>1,218,961</u>	
Cash and cash equivalents at beginning of year		<u>6,222,403</u>		<u>5,003,442</u>	
<b>Cash and cash equivalents at end of year</b>		<u><u>9,929,259</u></u>		<u><u>6,222,403</u></u>	



# ICS UMBRELLA LTD

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

##### **Company information**

ICS Umbrella Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 2 Mannin Way, Lancaster, LA1 3SU.

##### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received for services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

##### **1.4 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **1.5 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

## ICS UMBRELLA LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

#### FOR THE YEAR ENDED 31 MARCH 2022

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#### 1 Accounting policies

(Continued)

##### ***Impairment of financial assets***

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

##### ***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

##### ***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

##### ***Basic financial liabilities***

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

#### 1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

#### 1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

## ICS UMBRELLA LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

##### **1.8 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **1.9 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

##### **1.10 Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

##### **1.11 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

## ICS UMBRELLA LTD

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

#### 2 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 historical 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.

##### **Key sources of estimation uncertainty**

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### **Employee cost accrual**

Turnover and the associated costs on employees are recognised as the work is carried out which is verified by the employee timesheet.

Turnover and the associated costs are estimated as the proportion of the workforce which is expected to perform weekly work which have not submitted a timesheet at the year end date.

##### **PAYE liability**

The other taxation and social security liability is based on an estimate of amounts owing to HMRC in respect of earlier years.

#### 3 Turnover and other revenue

	2022	2021
	£	£
<b>Turnover analysed by class of business</b>		
Rendering of services	155,314,677	91,659,288
	<u>                    </u>	<u>                    </u>
	2022	2021
	£	£
<b>Turnover analysed by geographical market</b>		
United Kingdom	155,314,677	91,659,288
	<u>                    </u>	<u>                    </u>
	2022	2021
	£	£
<b>Other revenue</b>		
Interest income	3,080	229
Grants received	-	686,993
	<u>                    </u>	<u>                    </u>

# ICS UMBRELLA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 4 Operating profit

	2022	2021
	£	£
Operating profit for the year is stated after (crediting):		
Government grants	-	(686,993)
	<u>          </u>	<u>          </u>

### 5 Auditor's remuneration

	2022	2021
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	13,000	9,500
	<u>          </u>	<u>          </u>
<b>For other services</b>		
Taxation compliance services	1,300	1,050
All other non-audit services	1,775	1,300
	<u>          </u>	<u>          </u>
	3,075	2,350
	<u>          </u>	<u>          </u>

### 6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Contractors	1,856	1,171
	<u>          </u>	<u>          </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	131,932,336	79,119,668
Social security costs	15,826,839	9,266,389
Pension costs	5,973,890	2,857,390
	<u>          </u>	<u>          </u>
	153,733,065	91,243,447
	<u>          </u>	<u>          </u>

### 7 Interest receivable and similar income

	2022	2021
	£	£
<b>Interest income</b>		
Interest on bank deposits	3,080	229
	<u>          </u>	<u>          </u>

# ICS UMBRELLA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

(Continued)

### 7 Interest receivable and similar income

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	3,080	229
	<u>          </u>	<u>          </u>

### 8 Taxation

<b>2022</b>	<b>2021</b>
<b>£</b>	<b>£</b>

#### Current tax

UK corporation tax on profits for the current period	-	13,706
	<u>          </u>	<u>          </u>

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

<b>2022</b>	<b>2021</b>
<b>£</b>	<b>£</b>

Profit before taxation	18,024	21,214
	<u>          </u>	<u>          </u>

Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)

3,425	4,031
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Effect of change in corporation tax rate

(2,126)	-
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Deferred tax adjustments in respect of prior years

(1,299)	9,675
<u>          </u>	<u>          </u>

Taxation charge for the year	-	13,706
	<u>          </u>	<u>          </u>

### 9 Debtors

<b>2022</b>	<b>2021</b>
<b>£</b>	<b>£</b>

#### Amounts falling due within one year:

Trade debtors	3,485,457	1,596,476
Corporation tax recoverable	13,706	305,513
Amounts owed by group undertakings	2,205,894	2,582,304
Other debtors	28,897	20,817
	<u>          </u>	<u>          </u>
	5,733,954	4,505,110
	<u>          </u>	<u>          </u>

# ICS UMBRELLA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 10 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	933,967	929,963
Amounts owed to group undertakings	188,971	-
Corporation tax	-	13,706
Other taxation and social security	2,725,456	3,114,236
Accruals and deferred income	11,785,791	6,658,604
	<u>15,634,185</u>	<u>10,716,509</u>

#### 11 Retirement benefit schemes

	2022 £	2021 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>5,973,890</u>	<u>2,857,390</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

#### 12 Share capital

	2022 Number	2021 Number	2022 £	2021 £
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
60 Ordinary A shares of £1 each	60	60	60	60
40 Ordinary B shares of £1 each	40	40	40	40
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

All shares rank pari passu and dividends are paid in proportion to shares held.

#### 13 Financial commitments, guarantees and contingent liabilities

At the year end the company was party to a cross company guarantee covering group borrowings.

#### 14 Related party transactions

##### Transactions with related parties

During the year the company entered into the following transactions with related parties:

Category	Description of transaction	Income		Expenditure	
		2022 £	2021 £	2022 £	2021 £
Other related parties	Sales, purchases and management charges	<u>13,800,753</u>	<u>126,770</u>	<u>1,811,951</u>	<u>1,132,898</u>

# ICS UMBRELLA LTD

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 14 Related party transactions (Continued)

#### Balances with related parties

Category	Amounts owed by related parties		Amounts owed to related parties	
	2022	2021	2022	2021
	£	£	£	£
Other related parties	2,205,894	2,582,304	188,971	-

### 15 Ultimate controlling party

For the whole of the current and prior year, the ultimate controlling party was John Lyon.

### 16 Cash generated from operations

	2022	2021
	£	£
Profit for the year after tax	18,024	7,508
<b>Adjustments for:</b>		
Taxation charged	-	13,706
Investment income	(3,080)	(229)
<b>Movements in working capital:</b>		
Increase in debtors	(1,520,651)	(2,940,622)
Increase in creditors	4,931,382	4,467,378
<b>Cash generated from operations</b>	<b>3,425,675</b>	<b>1,547,741</b>

### 17 Analysis of changes in net funds

	1 April 2021	Cash flows 31 March 2022	
	£	£	£
Cash at bank and in hand	6,222,403	3,706,856	9,929,259



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.