COMPANY REGISTRATION NUMBER: 04604312

Impact Services Northern Limited

Financial Statements

30 November 2021

Impact Services Northern Limited

Financial Statements

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Officers and Professional Advisers

The board of directors	Mr A Platt Mr S McBride
Company secretary	Mr S McBride
Registered office	11-13 Hanover Street Liverpool L1 3DN
Auditor	ERC Accountants & Business Advisers Limited Chartered Accountants & statutory auditor Hanover Buildings 11-13 Hanover Street Liverpool L1 3DN
Bankers	National Westminister Bank PLC Castle Street Liverpool Royal Bank of Scotland PLC Spinningfields Square Manchester

Impact Services Northern Limited

Strategic Report

Year ended 30 November 2021

In accordance with Section 414C of the Companies Act 2006 a review of the company's business and a description of the principal risks and uncertainties facing the company is included in the Strategic Report. The Strategic Report replaces the previous requirement under Section 417 of the Companies Act 2006 to disclose this information in the Directors Report. Impact Services. Business Review. 2020 to 2021 The principal activity of the company during the last fiscal year continues to be that of the provision of high-quality Security and Cleaning services. We have a varied customers base which has grown through the year. Sales Growth We are proud to have been chosen as the preferred supplier by several new customers including The Trafford Centre and Lakeside Shopping Centre. We have also increased our UK footprint by accepting work in Bristol, Cardiff, and Scotland. We have also launched into the Concierge and Front of House market in London which has been successful. We have moved into Fire watch this year which has been a success and we have maintained several large assignments on a long-term contract. The Electrical division has been consistent this year and has used modern technology to help combat large CCTV and monitoring requirements. This has helped upskill the staff and ready them for the future. This has enabled us to create another eighty new jobs in the year all over the UK. COVID impact This year has still seen the impact of the pandemic but most of the services we have provided have been unaffected. The business did not cease operating during the lockdowns implemented during COVID. The company was fully aligned with Government advice and measures to be taken to try and control the COVID-19 pandemic. We had robust plans in place and implemented strict controls within our working practices and procedures across our facilities to help ensure our employees remained healthy. This remains our commitment as a business. Difficulties The company has seen the cleaning division struggle through this year as the customer base was leisure industry and so was affected by the COVID restrictions. This affected the staffing and funding, so our income and contracts were negatively affected. Fortunately, we were able to mitigate some loss with COVID fogging and adapting of staff duties where possible. Financial This year has seen an increase in turnover of approximately 42%, an increase in gross profit of approximately 200%. We have been able to maintain the margin on most of the contracts even with the NMW increase. We have increased Salaried staff wages in line too the try and keep up with our competitors Overview The company is a stable organisation with a clear structure and business plan. Management work closely to the plan and follow key targets set by the directors in seeking to realise all corporate objectives. The company is exposed to the usual credit related losses in event of non-payment by customers, but the risks have been mitigated through insurance and credit checks to ensure that such events will not endanger the company's financial stability. We have increased our Service partner network to help us support the larger contracts when they require significant increase in staffing for short periods of time. We have formed good relationships which we can use to our advantage as they want to support and grow with us. We have moved to new premises within Merseyside during the last year which has allowed us to expand and update our control room to facilitate the new customers with ease. This investment has improved the service levels for our customers, which remains our priority now and in the future. This has also resulted in a reduction in overhead as the new premises was obtained at a more favourable rents and rates cost than the previous premises. We are confident that the company's financial position is strong and that the company is well placed to continue to offer a full range of products to our well-established customer base. The company has invested in technology for man management reporting and staff safety during the last year which has allowed us to offer new services that helped our customers operate in a safe & secure manner.

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

Mr S McBride

Director

Registered office:

11-13 Hanover Street

Liverpool

L1 3DN

Impact Services Northern Limited

Directors' Report

Year ended 30 November 2021

The directors present their report and the financial statements of the company for the year ended 30 November 2021 .

Principal activities

The principal activity of the company during the year was that of the provision of security services.

Directors

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

Mr A Platt

Mr S McBride

Dividends

Particulars of recommended dividends are detailed in note 11 to the financial statements.

Employment of disabled persons

The company has applied an equality policy for disabled employees during the current and prior financial periods. The particulars are detailed below: (a) for giving full and fair consideration to applications for employment by the company made by disabled persons, having regard to their particular aptitudes and abilities, (b) for continuing the employment of, and for arranging appropriate training for, employees of the company who have become disabled persons during the period when they were employed by the company, and (c) otherwise for the training, career development and promotion of disabled persons employed by the company.

Employee involvement

The Company recognises the importance of keeping employees informed of all developments regarding the Company's work and progress and to this end, copies of all the publications produced by the Company are freely available to all employees. To achieve a common understanding and awareness amongst all employees of the Company's plans, an extensive briefing and consultation process operates.

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; - 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.

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

Mr S McBride

Director

Registered office:

11-13 Hanover Street

Liverpool

L1 3DN

Impact Services Northern Limited

Independent Auditor's Report to the Members of Impact Services Northern Limited

Year ended 30 November 2021

Opinion

We have audited the financial statements of Impact Services Northern Limited (the 'company') for the year ended 30 November 2021 which comprise the statement of income and retained earnings, statement of financial position, statement of cash flows and the related notes, 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 30 November 2021 and of its profit for the year then ended; - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; - 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 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 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: - We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our experience through discussion with the Officers and other management (as required by auditing standards). - We had regard to laws and regulations in areas that directly affect the financial statements including financial reporting (including related trade union legislation) and taxation legislation. - We considered that extent of compliance with those laws and regulations as part of our procedures on the related financial statement items. - With the exception of any known or possible non-compliance, and as required by auditing standards, our work in respect of these was limited to enquiry of the Officers. - We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. - We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business. 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 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.

Richard Brown

(Senior Statutory Auditor)

For and on behalf of

ERC Accountants & Business Advisers Limited

Chartered Accountants & statutory auditor

Hanover Buildings

11-13 Hanover Street

Liverpool

L1 3DN

8 July 2022

Impact Services Northern Limited

Statement of Income and Retained Earnings

Year ended 30 November 2021

	Note	Year to 30 Nov 21 £	Period from 1 Mar 20 to 30 Nov 20 £
Turnover	**4**	13,716,688	7,502,573
Cost of sales		11,942,205	6,863,468
Gross profit		1,774,483	639,105
Distribution costs		71,962	93,844
Administrative expenses		1,164,941	785,439
Other operating income	**5**	79,917	307,347
Operating profit	**6**	617,497	67,169
Interest payable		3,314	11,536
Profit before taxation		614,183	55,633
Taxation on ordinary activities	**10**	155,419	30,207
Profit for the financial year and total comprehensive income		458,764	85,840
Dividends paid and payable	**11**	(244,628)	(129,779)
Retained earnings at the start of the year		98,435	142,374
Retained earnings at the end of the year		312,571	98,435

All the activities of the company are from continuing operations.

Impact Services Northern Limited

Statement of Financial Position

30 November 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	**12**	49,002	43,953
Current assets			
Stocks	**13**	24,780	46,000
Debtors	**14**	3,703,873	2,502,667
Cash at bank and in hand		377,145	258,053
		4,105,798	2,806,720
Creditors: amounts falling due within one year	**15**	3,697,105	2,568,744
Net current assets		408,693	237,976
Total assets less current liabilities		457,695	281,929
Creditors: amounts falling due after more than one year	**16**	140,000	180,000
Provisions	**18**	(5,024)	(3,394)
Net assets		312,671	98,535
Capital and reserves			
Called up share capital	**22**	100	100
Profit and loss account		312,571	98,435
Shareholders funds		312,671	98,535

These financial statements were approved by the board of directors and authorised for issue on 8 July 2022 , and are signed on behalf of the board by:

MR S McBRIDE Director

Company registration number: 04604312

Impact Services Northern Limited

Statement of Cash Flows

Year ended 30 November 2021

	2021	2020
	£	£
Cash flows from operating activities		
Profit for the financial year	458,764	85,840
Adjustments for:		
Depreciation of tangible assets	16,334	14,656
Government grant income	(79,917)	(307,347)
Interest payable	3,314	11,536
Taxation on ordinary activities	155,419	(30,206)
Accrued income	–	(3,510)
Changes in:		
Stocks	21,220	(46,000)
Trade and other debtors	(1,201,206)	(258,663)
Trade and other creditors	1,057,467	334,205
Cash generated from operations	431,395	(199,489)
Interest paid	7,136	(1,931)
Tax (paid)/received	(76,661)	1,651
Net cash from/(used in) operating activities	361,870	(199,769)
Cash flows from investing activities		
Purchase of tangible assets	(21,383)	(3,449)
Net cash used in investing activities	(21,383)	(3,449)
Cash flows from financing activities		
Proceeds from borrowings	(40,000)	170,637
Government grant income	79,917	307,347
Payments of finance lease liabilities	(16,684)	(9,594)
Dividends paid	(244,628)	(129,779)
Net cash (used in)/from financing activities	(221,395)	338,611
Net increase in cash and cash equivalents	119,092	135,393
Cash and cash equivalents at beginning of year	258,053	122,660
Cash and cash equivalents at end of year	377,145	258,053

Impact Services Northern Limited

Notes to the Financial Statements

Year ended 30 November 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 11-13 Hanover Street, Liverpool, L1 3DN.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

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

Revenue recognition

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax, together with service contract revenue which is recognised as contractual activity progresses, and is derived from the ordinary activities of the company which is that of the provision of security services. Revenue is recognised on the completion of services on an accruals basis. Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Corporation tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively. 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. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and 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.

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	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance
Motor vehicles	-	25% reducing balance

Impairment of fixed assets

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. For the purposes of impairment testing, 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 largely independent of the cash inflows from other assets or groups of assets. For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Stocks

Stocks are valued at the lower of cost and net realisable value on an average cost basis. Due allowance for obsolete and slow moving items. Included in the cost of inventories are all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

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. Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset. Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

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.

Financial instruments

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 entity after deducting all of its financial liabilities. Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability. Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

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 as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Rendering of services	13,716,688	7,502,573

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

5. Other operating income

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Government grant income	79,917	307,347

6. Operating profit

Operating profit or loss is stated after charging:

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Depreciation of tangible assets	16,334	14,656

7. Auditor's remuneration

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Fees payable for the audit of the financial statements	10,000	–

8. Particulars of employees

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

	2021	2020
	No.	No.
Production staff	374	348

The aggregate payroll costs incurred during the year, relating to the above, were:

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Wages and salaries	(8,127,080)	(5,795,797)
Other pension costs	145,385	103,200
	(8,272,465)	(5,898,997)

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Remuneration	21,264	21,264

10. Taxation on ordinary activities

Major components of tax expense/(income)

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Current tax:		
UK current tax expense/(income)	153,789	(28,853)
Deferred tax:		
Origination and reversal of timing differences	1,630	(1,354)
Taxation on ordinary activities	155,419	(30,207)

Reconciliation of tax expense/(income)

The tax assessed on the profit on ordinary activities for the year is higher than (2020: lower than) the standard rate of corporation tax in the UK of 19 % (2020: 19 %).

	Year to 30 Nov 21	Period from 1 Mar 20 to 30 Nov 20
	£	£
Profit on ordinary activities before taxation	614,183	55,633
Profit on ordinary activities by rate of tax	116,695	10,570
Adjustment to tax charge in respect of prior periods	1,630	(1,354)
Effect of expenses not deductible for tax purposes	326	16
Effect of capital allowances and depreciation	(2,849)	1,354
Other tax adjustment to increase/(decrease) tax liability - desc in a/cs	39,617	(40,793)
Tax on profit	155,419	(30,207)

11. Dividends

	2021	2020
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	244,628	129,779

12. Tangible assets

	Plant and machinery	Fixtures and fittings	Motor vehicles	**Total**
	£	£	£	**£**
Cost				
At 1 December 2020	35,553	78,694	85,176	199,423
Additions	3,550	3,633	14,200	21,383
At 30 November 2021	39,103	82,327	99,376	220,806
Depreciation				
At 1 December 2020	20,527	74,718	60,225	155,470
Charge for the year	4,644	1,902	9,788	16,334
At 30 November 2021	25,171	76,620	70,013	171,804
Carrying amount				
At 30 November 2021	13,932	5,707	29,363	49,002
At 30 November 2020	15,026	3,976	24,951	43,953

13. Stocks

	2021	2020
	£	£
Work in progress	24,780	46,000

14. Debtors

	2021	2020
	£	£
Trade debtors	3,674,269	2,474,681
Prepayments and accrued income	418	–
Other debtors	29,186	27,986
	3,703,873	2,502,667

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	1,514,104	676,962
Accruals and deferred income	20,055	9,605
Corporation tax	126,403	49,275
Social security and other taxes	734,005	956,321
Obligations under finance leases and hire purchase contracts	–	16,684
Director loan accounts	225	225
Other creditors	818,360	383,146
Short term borrowings	40,000	21,772
Other creditors	443,953	454,754
	3,697,105	2,568,744

The Royal Bank of Scotland invoice discounting liability of £750,698 included within other creditors is secured against the companies assets.

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

	2021	2020
	£	£
Bank loans and overdrafts	140,000	180,000

17. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2021	2020
	£	£
Not later than 1 year	–	16,684

18. Provisions

	Deferred tax (note 19)
	£
At 1 December 2020	3,394
Additions	1,630
At 30 November 2021	5,024

19. Deferred tax

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

	2021	2020
	£	£
Included in provisions (note 18)	5,024	3,394

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

	2021	2020
	£	£
Accelerated capital allowances	5,024	3,394

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £ 145,385 (2020: £ 103,200).

21. 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	79,917	307,347

22. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	**£**	No.	£
Ordinary shares of £ 1 each	100	100	100	100

23. Analysis of changes in net debt

	At 1 Dec 2020	Cash flows	**At 30 Nov 2021**
	£	£	**£**
Cash at bank and in hand	258,053	119,092	377,145
Debt due within one year	(16,909)	16,684	(225)
Debt due after one year	(180,000)	40,000	(140,000)
	61,144	175,776	236,920

24. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	93,052	25,668
Later than 1 year and not later than 5 years	119,325	82,039
	212,377	107,707

25. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company:

2021

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	**Balance outstanding**
	£	£	£	**£**
Mr A Platt	(78)	100,828	(100,964)	(214)
Mr S McBride	(147)	105,528	(105,392)	(11)
	(225)	206,356	(206,356)	(225)

2020

	Balance brought forward	Advances/ (credits) to the directors	Amounts repaid	Balance outstanding
	£	£	£	£
Mr A Platt	8,792	42,430	(51,300)	(78)
Mr S McBride	(1,687)	41,740	(40,200)	(147)
	7,105	84,170	(91,500)	(225)

26. Related party transactions

The following related party transactions were undertaken during the year: Dividends were paid to the directors in respect of their shareholders totalling £244,628 (2020: £129,779). The aggregate remuneration paid to key management personnel for the year was £21,264 (2020: £21,264). No further transactions with related parties were undertaken such as are required to be disclosed in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.