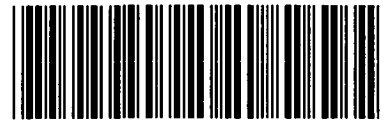


**GYB SERVICES LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**GYB SERVICES LIMITED**

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**COMPANY INFORMATION**

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**DIRECTORS**

P A G Wells  
P Boyce  
N P Maddox  
C A Silverwood  
J F L C Galliford

**REGISTERED NUMBER**

04897142

**REGISTERED OFFICE**

280 Fifers Lane  
Norwich  
Norfolk  
NR6 6EQ

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Maurice Wilkes Building  
Cowley Road  
Cambridge  
Cambridgeshire  
CB4 0DS

**BANKERS**

Barclays Bank PLC  
5/7 Red Lion Street  
Norwich  
Norfolk  
NR1 3QH

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**GYB SERVICES LIMITED**

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## GYB SERVICES LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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

For the purposes of these financial statements the term 'year' represents the 368 days to 31 March 2022. The prior year represents the 364 days to 28 March 2021.

#### RESULTS

The loss for the year, after taxation, amounted to £301,301 (2021 - loss £124,410). The net assets of the company as at 31 March 2022 are £996,331 (2021 - £1,297,632).

#### DIVIDENDS

The directors have not proposed or paid any dividends during the financial year (2021 - £Nil).

#### DIRECTORS

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

P A G Wells (appointed 27 May 2021)

P J Carpenter (resigned 27 May 2021)

P Boyce

N P Maddox

C A Silverwood

J F L C Galliford

#### QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company maintains liability insurance for its director and officers. The director and officers have also been granted a qualifying third party provision under section 234 of the Companies Act 2006, which was in force throughout the year and to the date of approval of the financial statements. Neither the company's indemnity nor insurance provides cover in the event that a director or officer is proved to have acted fraudulently or dishonestly.

#### GOING CONCERN

The company carries out the majority of its work for the Great Yarmouth Borough Council under a long term agreement. This agreement ends on 31 March 2023 and the work will transfer to the Council. As a result of the transfer of substantially all activities and staff to the Council, the shareholders are discussing the future options for the company.

The entity operates as part of a wider group and as such the directors have received confirmation from Norse Group Limited that it will provide, for a period of at least 12 months from the date of signing these financial statements, such financial support as is necessary to allow the company to meet its liabilities as they fall due.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

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## **GYB SERVICES LIMITED**

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### **DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022**

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#### **DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework") and applicable law.

Under company law, 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 United Kingdom 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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors 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.

#### **DIRECTORS' CONFIRMATIONS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as they is aware, there is no relevant audit information of which the company's auditors are unaware, and
- they has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **INDEPENDENT AUDITORS**

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

#### **SMALL COMPANIES EXEMPTION**

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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**GYB SERVICES LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2022**

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This report was approved by the board and signed on its behalf by:



**J F L C Galliford**  
Director

Date: 8 December 2022

# Independent auditors' report to the members of GYB Services Limited

## Report on the audit of the financial statements

### Opinion

In our opinion, GYB Services Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2022 and of its loss for the 368 day period (the "year") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the statement of financial position as at 31 March 2022; the statement of comprehensive income and the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 March 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, Health and safety at Work etc. Act 1974 and Employment legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to misstatement of financial information via inappropriate journal entries and/or management bias in key accounting estimates. Audit procedures performed by the engagement team included:

- Making enquiries with management, including consideration of known or suspected instances of non-compliance with laws and regulations;
- Reviewing meetings of minutes during the year and up to date approval of the financial statements;



- Identifying and testing journals meeting specified criteria considered to be unusual or indicative of potential fraud;
- Evaluating management's controls designed to prevent and detect irregularities; and
- Testing the appropriateness of key estimates made by management to identify any deliberate misstatements in the financial statements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

### **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Claire Lake (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Cambridge

8 December 2022

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**GYB SERVICES LIMITED**

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

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	Note	2022 £	2021 £
Revenue	4	6,312,346	5,705,435
Cost of sales		(5,759,736)	(5,098,782)
<b>GROSS PROFIT</b>		<b>552,610</b>	<b>606,653</b>
Administrative expenses		(940,059)	(862,417)
Other operating income	5	609	99,166
<b>OPERATING LOSS AND LOSS BEFORE TAX</b>	<b>6</b>	<b>(386,840)</b>	<b>(156,598)</b>
Interest payable and similar expenses		(52)	-
<b>LOSS BEFORE TAX</b>		<b>(386,892)</b>	<b>(156,598)</b>
Tax on loss	10	85,591	32,188
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(301,301)</b>	<b>(124,410)</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 10 to 27 form an integral part of these financial statements.

**GYB SERVICES LIMITED**  
**REGISTERED NUMBER: 04897142**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2022**

	Note	31 March 2022 £	28 March 2021 £
<b>CURRENT ASSETS</b>			
Inventories	11	45,530	11,057
Trade and other receivables: amounts falling due after more than one year	12	44,045	-
Trade and other receivables: amounts falling due within one year	12	363,685	780,434
Cash and cash equivalents	13	785,400	553,684
		<u>1,238,660</u>	<u>1,345,175</u>
Trade and other payables: amounts falling due within one year	14	(281,329)	(317,997)
<b>NET CURRENT ASSETS</b>		<u>957,331</u>	<u>1,027,178</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>957,331</u>	<u>1,027,178</u>
Deferred Taxation	15	-	(41,546)
		<u>-</u>	<u>(41,546)</u>
Pension asset	17	39,000	312,000
<b>NET ASSETS</b>		<u><u>996,331</u></u>	<u><u>1,297,632</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		10	10
Profit and loss account		996,321	1,297,622
<b>TOTAL EQUITY</b>		<u><u>996,331</u></u>	<u><u>1,297,632</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**J F L C Galliford**  
Director

Date: 8 December 2022

The notes on pages 10 to 27 form an integral part of these financial statements.

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GYB SERVICES LIMITED

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STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2022

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 29 March 2021	10	1,297,622	1,297,632
Loss for the financial year	-	(301,301)	(301,301)
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>	-	(301,301)	(301,301)
<b>AT 31 MARCH 2022</b>	<b>10</b>	<b>996,321</b>	<b>996,331</b>

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 28 MARCH 2021

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	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 30 March 2020	10	1,422,032	1,422,042
Loss for the financial year	-	(124,410)	(124,410)
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>	-	(124,410)	(124,410)
<b>AT 28 MARCH 2021</b>	<b>10</b>	<b>1,297,622</b>	<b>1,297,632</b>

The notes on pages 10 to 27 form part of these financial statements.

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## **GYB SERVICES LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**

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#### **1. GENERAL INFORMATION**

The company is a private company, limited by shares, incorporated and domiciled in United Kingdom and registered at 280 Fifers Lane, Norwich, Norfolk, NR6 6EQ.

The company's principal activities are the provision of refuse, cleaning and maintenance services.

#### **2. ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

##### **2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The presentational currency is British Pounds Sterling (£). All amounts in the financial statements and notes have been rounded to the nearest pound sterling, unless otherwise stated.

The company has intercompany rental agreements with Norse Commercial Services Limited, given the existence of a substantive right to substitute the assets throughout the period of the arrangement, the company considers that there are no identifiable assets within its inter-company rental arrangements and as such the arrangements fall outside the scope of IFRS 16 'Leases'. The assets are included within the fixed asset balance of Norse Commercial Services Limited.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.2 FINANCIAL REPORTING STANDARD 101 - REDUCED DISCLOSURE EXEMPTIONS**

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures

**2.3 NEW STANDARDS, AMENDMENTS AND IFRIC INTERPRETATIONS**

There are no new accounting standards, or amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 March 2022 that have had a material impact on the company's financial statements.

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## GYB SERVICES LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.4 GOING CONCERN

The company carries out the majority of its work for the Great Yarmouth Borough Council under a long term agreement. This agreement ends on 31 March 2023 and the work will transfer to the Council. As a result of the transfer of substantially all activities and staff to the Council, the shareholders are discussing the future options for the company.

The entity operates as part of a wider group and as such the directors have received confirmation from Norse Group Limited that it will provide, for a period of at least 12 months from the date of signing these financial statements, such financial support as is necessary to allow the company to meet its liabilities as they fall due.

As a consequence, the directors believe that the company is well placed to manage its business risks successfully despite the current uncertain economic outlook. Accordingly, it remains appropriate to prepare the financial statements on a going concern basis.

### 2.5 REVENUE

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money.

Revenue is recognised when the performance obligation in the contract/agreement has been satisfied over time. Where contracts/agreements include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand alone selling prices. Where these are not directly observable, they are estimated based on expected cost plus margin. For service contracts/agreements including a goods element, revenue for the separate good is recognised at a point in time when the good is delivered, the legal title has passed and the customer has accepted the good.

### 2.6 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost represents materials, direct labour and overheads incurred in bringing inventories to their present condition and location. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. Provision is made for obsolete, slow moving or defective items where appropriate.

At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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## GYB SERVICES LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.7 TRADE AND OTHER RECEIVABLES

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flow and therefore measures them subsequently at amortised cost using the effective interest method.

The company applies the IFRS 9 simplified approach to measuring expected credit losses ('ECL') which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

### 2.8 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

### 2.9 FINANCIAL INSTRUMENTS

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

#### **Financial assets**

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the classification of the financial assets.

#### **Fair value through the statement of comprehensive income**

All of the company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in the statement of comprehensive income includes any dividend or interest earned on the financial asset.

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

The company always recognises lifetime ECL for trade receivables and amounts due on contracts



NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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2. ACCOUNTING POLICIES (CONTINUED)

2.9 FINANCIAL INSTRUMENTS (CONTINUED)

with customers. The expected credit losses on these financial assets are estimated based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

**Financial liabilities**

**Fair value through the statement of comprehensive income**

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in the statement of comprehensive income to the extent that they are not part of a designated hedging relationship.

**At amortised cost**

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

2.10 TRADE AND OTHER PAYABLES

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Trade payables are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting date.

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## GYB SERVICES LIMITED

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

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## 2. ACCOUNTING POLICIES (CONTINUED)

### 2.11 OTHER OPERATING INCOME

Other operating income consists of government grants and other income attributable to the year that cannot be classified under any of the other income categories.

Government grants received on capital expenditure are initially recognised within deferred income on the company's Statement of financial position and are subsequently recognised in profit or loss on a systematic basis over the useful life of the related capital expenditure.

Grants for revenue expenditure are presented as part of the profit or loss in the periods in which the expenditure is recognised.

Revenue grants relating to the Coronavirus Job Retention Scheme (CJRS) were received in the year in respect of furloughed staff for the purpose of providing immediate financial support to the company as a result of the Covid-19 pandemic. These grants are not recognised until there is reasonable assurance that the company has complied with the conditions attached to them and that the grants will be received. The company has not received any other form of government assistance during the year.

### 2.12 PENSION

#### Defined contribution pension plan

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations.

The contributions are recognised as an expense in the Profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

#### Defined benefit pension scheme

The defined benefit pension scheme is funded, with the assets of the scheme held separately from those of the company, in a separate trustee-administered fund.

On termination of the service agreement with Great Yarmouth Borough Council, the employees and associated defined benefit liability will revert back to Great Yarmouth Borough Council. The net defined benefit obligation or asset that the company expects to fund or recover over the remaining period of the service agreement is recognised in the statement of financial position.

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**2. ACCOUNTING POLICIES (CONTINUED)**

**2.13 CURRENT AND DEFERRED TAXATION**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

To be able to prepare financial statements according to FRS 101 management must make estimates and assumptions that affect the asset and liability items and revenue and expense amounts recorded in the financial statements. These estimates are based on historical experience and various other assumptions that management and the Board of directors believe are reasonable under the circumstances. The results of this form the basis for making judgements about the carrying value of assets and liabilities that are not readily available from other sources.

The actual results are likely to differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

Information about the significant judgements, estimates and assumptions that have the most significant effect on the recognition and measurement of assets, liabilities, income and expenses are discussed below.

**Defined benefit pension liability**

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/income for pensions include the discount rate.

Any changes in these assumptions will impact the carrying amount of pension obligations. The company's actuaries determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash flows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the company considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability. Other key assumptions for pension obligations are based in part on current market conditions. Additional information, including sensitivity analysis, is disclosed in note 16.

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**4. REVENUE**

All revenue arose within the United Kingdom.

	2022 £	2021 £
Gross revenue	6,198,566	5,674,837
Rebates	113,780	30,598
<b>Total revenue</b>	<b>6,312,346</b>	<b>5,705,435</b>

	2022 £	2021 £
<b>Revenue by service</b>		
Cleaning	253,603	227,011
Grounds	2,130,398	1,904,023
Facilities management	186,041	123,283
Environmental	3,742,304	3,451,118
<b>Total revenue</b>	<b>6,312,346</b>	<b>5,705,435</b>

**5. OTHER OPERATING INCOME**

	2022 £	2021 £
Government grants receivable – Coronavirus Job Retention Scheme	609	99,166

**6. OPERATING LOSS**

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

	2022 £	2021 £
Cost of inventories recognised as an expense	357,040	261,676
Government grants receivable – Coronavirus Job Retention Scheme	(609)	(99,166)

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**7. AUDITORS' REMUNERATION**

The company paid the following amounts to its auditors in respect of the audit of the financial statements:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditors for the audit of the company's annual financial statements	<b>19,294</b>	<b>18,375</b>

**8. EMPLOYEES**

Staff costs, including directors' remuneration, were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>3,388,078</b>	<b>3,162,027</b>
Social security costs	<b>299,881</b>	<b>272,268</b>
Other pension costs	<b>742,011</b>	<b>551,055</b>
	<b>4,429,970</b>	<b>3,985,350</b>

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Operations staff	<b>145</b>	<b>143</b>
Administrative staff	<b>10</b>	<b>12</b>
	<b>155</b>	<b>155</b>

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**9. DIRECTORS' REMUNERATION**

	2022 £	2021 £
Directors' emoluments	-	11,738

During the year retirement benefits were accruing to no directors (2021 - 1) in respect of defined contribution pension schemes.

There are four directors (2021 - three) who received no remuneration for services provided to the company.

Two directors (2021 - three) were paid by Norse Commercial Services Limited, with no recharge (2021 - no recharge). As they are directors of a number of fellow subsidiaries, it is not possible to make an accurate apportionment of the remuneration in respect of each of the subsidiaries. Accordingly, the above details include no remuneration of these directors.

**10. TAX ON LOSS**

	2022 £	2021 £
<b>CURRENT TAX</b>		
Adjustments in respect of prior periods	-	309
<b>TOTAL CURRENT TAX</b>	-	309
<b>DEFERRED TAX</b>		
Origination and reversal of timing differences	(28,952)	(3,429)
Adjustments in respect of prior periods	(1,509)	(5,128)
Effect of change in the tax rate	13,120	-
Retirement benefit obligations	(68,250)	(23,940)
<b>TOTAL DEFERRED TAX</b>	(85,591)	(32,497)
<b>TAX ON LOSS</b>	(85,591)	(32,188)

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GYB SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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10. TAX ON LOSS (CONTINUED)

FACTORS AFFECTING TAX CREDIT FOR THE YEAR

The tax assessed for the year is higher than (2021 - *lower than*) the standard rate of corporation tax in the UK for the year ended 31 March 2022 of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Loss before tax	(386,892)	(156,598)
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(73,509)	(29,754)
EFFECTS OF:		
Expenses not deductible for tax purposes	(3)	2
Adjustments in respect of prior periods	(1,509)	(4,819)
Effect of change in the tax rate	(10,570)	-
Accumulation of tax losses not recognised	-	2,383
TOTAL TAX CREDIT FOR THE YEAR	(85,591)	(32,188)

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.



**GYB SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**11. INVENTORIES**

	<b>31 March 2022 £</b>	<i>28 March 2021 £</i>
Raw materials and consumables	<b>45,530</b>	<i>11,057</i>

No amounts have been charged to the income statement in the current or previous year in relation to stock provisions and write offs.

Inventory recognised as an expense in the year was £357,040 (2021 - £261,676).

The directors consider that there is no significant difference between the replacement cost of raw materials and consumables and their carrying amounts.

**12. TRADE AND OTHER RECEIVABLES**

		<b>31 March 2022 £</b>	<i>28 March 2021 £</i>
<b>DUE AFTER MORE THAN ONE YEAR</b>			
Deferred tax asset	15	<b>44,045</b>	<i>-</i>
		<b>44,045</b>	<i>-</i>

		<b>31 March 2022 £</b>	<i>28 March 2021 £</i>
<b>DUE WITHIN ONE YEAR</b>			
Trade receivables		<b>81,920</b>	<i>88,267</i>
Amounts owed by group undertakings		<b>72,684</b>	<i>556,827</i>
Other receivables		<b>960</b>	<i>3,015</i>
Prepayments and accrued income		<b>205,737</b>	<i>132,325</i>
Tax recoverable		<b>2,384</b>	<i>-</i>
		<b>363,685</b>	<i>780,434</i>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand. There is no provision against this debt (2021 - £nil).

Trade receivables are stated after provisions for impairment of £ Nil (2021 - £Nil).

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**13. CASH AND CASH EQUIVALENTS**

	<b>31 March 2022 £</b>	<b>28 March 2021 £</b>
Cash at bank and in hand	785,400	553,684
	<u>785,400</u>	<u>553,684</u>

**14. TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>31 March 2022 £</b>	<b>28 March 2021 £</b>
Trade payables	51,205	102,799
Amounts owed to group undertakings	564	515
Other taxation and social security	6,888	1,975
Accruals and deferred income	222,672	212,708
	<u>281,329</u>	<u>317,997</u>

Amounts owed to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**15. DEFERRED TAXATION**

The movement in the deferred tax asset/(liability) during the year was:

	<b>2022 £</b>	<b>2021 £</b>
At beginning of year	(41,545)	(74,043)
Charged to profit or loss	85,590	32,497
<b>AT END OF YEAR</b>	<u>44,045</u>	<u>(41,546)</u>

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## GYB SERVICES LIMITED

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

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#### 15. DEFERRED TAXATION (CONTINUED)

Deferred tax is provided for at 25% (2021 - 19%) in the financial statements and consists of the following:

	31 March 2022 £	28 March 2021 £
Differences between depreciation and capital allowances	11,055	5,718
Other timing differences	17,797	12,016
Defined benefit pension asset	(9,750)	(59,280)
Tax losses	24,943	-
	<u>44,045</u>	<u>(41,546)</u>

The company has tax losses carried forward of £99,770, the deferred tax of £24,943 has been recognised in the year.

#### 16. CONTINGENT LIABILITIES

The company is part of the Norse Commercial Services group VAT Group and as such is jointly and severally liable for the VAT liability of the entire group. The group liability at the year end was £7,994,713 (2021 - £6,928,608).

A cross guarantee in favour of Barclays Bank plc is in place between GYB Services Limited and the following group companies: Norse South West Limited, Enfield Norse Limited, Great Yarmouth Norse Limited, Medway Norse Limited, Medway Norse Transport, Newport Norse Limited, Norse Commercial Services Limited, Norse Eastern Limited, Norse Transport, Suffolk Coastal Norse Limited, Suffolk Norse Limited, Wellingborough Norse Limited, Norse South East Limited, West Northamptonshire Norse Limited, Waveney Norse Limited, Amber Valley Norse Limited and Uttlesford Norse Services Limited. The indebtedness subject to this guarantee at the year end was £Nil (2021 - £Nil).

The nature of the company's activities, particularly in relation to its operations, is such that from time to time it faces challenges in respect of contractual disputes, laws and regulations and tax arising in the normal course of business. Provisions are made in respect of these actions where this is appropriate.

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GYB SERVICES LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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17. POST-EMPLOYMENT BENEFITS

The company is a participating employer in a multi-employer Local Government Pension Scheme, the Norfolk Pension Fund. Some of the company's employees are members of the Norfolk Pension Fund.

The company operates a defined benefit pension scheme.

In addition to the balance below, at the year end contributions amounting to £nil (2021 - £nil) are outstanding and included in other payables.

Reconciliation of present value of plan assets:

	2022 £	2021 £
At the beginning of the year	312,000	438,000
Current service cost	(701,000)	(572,000)
Contributions	428,000	446,000
<b>AT THE END OF THE YEAR</b>	<b>39,000</b>	<b>312,000</b>

Amounts recognised in the statement of financial position are as follows:

Fair value of plan assets	39,000	312,000
<b>NET PENSION SCHEME LIABILITY</b>	<b>39,000</b>	<b>312,000</b>

The amounts recognised in the statement of comprehensive income are as follows:

	2022 £	2021 £
Current service cost	701,000	572,000
<b>TOTAL</b>	<b>701,000</b>	<b>572,000</b>

The company expects to contribute £402,000 to its defined benefit pension scheme in 2023.

**GYB SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**18. RELATED PARTY TRANSACTIONS**

The company had the following transactions and balances in the normal course of trade with related parties within the Norse Group and the minority shareholder, Great Yarmouth Borough Council during the year:

	Year ended 31 March 2022	Year ended 31 March 2022	31 March 2022	31 March 2022
	Sales	Purchases	Receivables	Payables
	£	£	£	£
Norfolk County Council	19,286	(330)	-	-
Norse Commercial Services Limited	-	(651,266)	73,559	-
Norse Eastern Limited	24,144	(18,708)	-	(564)
Norse Environmental Waste Services Limited	602	(26)	-	-
Great Yarmouth Norse Limited	100	-	-	-
Great Yarmouth Borough Council	5,823,136	(39,430)	250,378	(107,482)

	Year ended 28 March 2021	Year ended 28 March 2021	28 March 2021	28 March 2021
	Sales	Purchases	Receivables	Payables
	£	£	£	£
Norfolk County Council	2,271	(1,846)	15,546	-
Norse Commercial Services Limited	-	(683,873)	540,177	-
Norse Eastern Limited	112,653	(11,847)	-	(515)
Waveney Norse Limited	2,390	-	-	-
Norse Environmental Waste Services Limited	5,759	(18)	-	-
Norwich Norse (Environmental) Limited	1,104	(1,316)	1,104	-
Great Yarmouth Norse Limited	3,304	(3,689)	-	-
Great Yarmouth Borough Council	5,555,958	(21,995)	65,326	(28,763)

See note 9 for disclosure of directors' remuneration.

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**GYB SERVICES LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

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**19. CONTROLLING PARTY**

The immediate parent undertaking is Norse Commercial Services Limited.

The smallest group to consolidate these financial statements is Norse Group Limited. Consolidated financial statements for this group are available from Companies House, Cardiff, CF14 3UZ.

The company's ultimate controlling party and largest group to consolidate these financial statements is Norfolk County Council by virtue of its ownership of 100% of the ordinary share capital of Norse Group Limited. Copies of the Norfolk County Council consolidated financial statements can be obtained from [www.norfolk.gov.uk](http://www.norfolk.gov.uk).