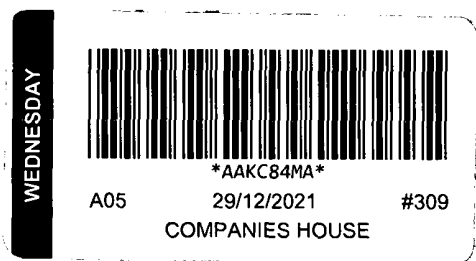


Company Registration No. 06837338 (England and Wales)

WHP FACILITIES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



WHP FACILITIES LTD

COMPANY INFORMATION

Directors

Mrs C Farquhar
Mr N J Hall
Mr T J Murch
Mr J Arnold
Mr I Lichfield
Mr R Noble (appointed 27th September 2021)
Mr D Walker (appointed 27th September 2021)
Mr N Ward

Company number 06837338

Registered office

Riverside House
Delta Bank Road
Metro Riverside Park
Gateshead
Tyne and Wear
NE11 9DJ

Independent auditors

PricewaterhouseCoopers LLP
Central Square South
Newcastle upon Tyne
Tyne and Wear
NE1 3AZ

WHP FACILITIES LTD

CONTENTS

	Page(s)
Strategic report	1
Directors' report	2 – 3
Independent auditors' report	4 – 6
Income Statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10 – 18

WHP FACILITIES LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Business history

WHP Facilities Ltd is a business founded in 2009 which provides staff and management services to its subsidiary company WHP Engineering Ltd. WHP Engineering Ltd (known as 'WHP') is a world class leader in design and build services for clean manufacturing solutions and complex process systems for the life sciences, bio-medical, healthcare, personal care and cosmetics, food and industrial manufacturing solutions.

At the end of 2020 the Business employed 80 staff which includes an in-house team of designers, engineers, planners and highly skilled technical experts. The team cover concept development, design, build, fabrication, commissioning and validation. In addition, the team at our Technical Centre are experts in the manufacture and installation of hygienic, sterile processing plants for manufacturing facilities.

Financial performance

During the year Turnover reduced slightly from £5.5m to £4.9m and there was a 10% decrease in payroll costs. This was mainly due to the impact of Covid-19. Despite a challenging year, the directors are pleased to again report profit before taxation for the financial year of £144,694 compared to a prior year profit of £127,289.

Profits before exceptional items are £280,097 (2019: £255,022). Exceptional items recorded during the year of £125,242 (2019: £127,733) were primarily related to the impacts of Covid-19. The net assets at 31st December 2020 were £951,394 (2019: £806,700)

Business strategy and development opportunity

As a company formed to provide staff and management services to its subsidiary trading company, details of the strategy can be found in the strategic report of its subsidiary company.

Looking to the future, the Directors are confident in the businesses ability to continue to be profitable during 2021 and beyond.

Principal risks and uncertainties

The principal risks and uncertainties to which the company is exposed are identified and formally reviewed by the directors and the appropriate controls and mitigations are identified to manage these risks. The principal risks include:

- **Covid-19 risk** - The directors continue to monitor the effects of the pandemic and the impact to the business of key personnel falling ill. A number of mitigating actions are in place to reduce the risk including enhanced social distancing and PPE policies and remote working.
- **Resources** -The combined impact of increased demand following the pandemic, Brexit and IR35 legislation change has resulted in pressure on the labour market resulting in limited availability of resource and significant salary increases. The directors are managing the risk through a combination of actions including a new recruitment strategy, internal staff development and improved employee benefits.

Key performance indicators

The level of turnover and operating profits are the key indicators of the company's performance by the directors and are set out below. Sales growth and improving profitability remains a key focus for the board:

- Turnover in 2020 was 10% lower than 2019 which was largely due to the impact of Covid-19. The trend continued in early 2021 but is set to return to growth in the second half of the year with new business won by its subsidiary company.
- Operating profits before exceptional items increased by 15% from 2019.

On behalf of the board

C Farquhar

Digitally signed by C
Farquhar
Date: 2021.12.23 10:11:22
Z

Mrs C Farquhar

Director

23 December 2021

WHP FACILITIES LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and audited financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company is the provision of management services.

Directors

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

Mr G Arnold
Mrs C Farquhar
Mr N J Hall
Mr T J Murch
Mr I Lichfield
Mr R Noble
Mr D Walker
Mr N Ward

Results and dividends

The results for the year are set out on page 6.

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

Independent auditors

PricewaterhouseCoopers LLP were re-appointed during the year. The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and their re-appointment will be proposed to the Board.

Statement of directors' responsibilities

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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

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.

In the case of each director in office at the date the Directors' Report is approved:

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

WHP FACILITIES LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of directors' responsibilities (continued)

Small companies' regime

This report has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

On behalf of the board

C Farquhar  Digitally signed by C
Farquhar
Date: 2021.12.23
10:13:08 Z

Mrs C Farquhar
Director
23 December 2021

Report on the audit of the financial statements

Opinion

In our opinion, WHP Facilities Ltd's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, 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 balance sheet as at 31 December 2020; the income statement 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.

WHP FACILITIES LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHP FACILITIES LTD

With respect to the Strategic report and 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.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2020 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 Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, 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 tax 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 posting inappropriate journal entries to manipulate financial reporting to increase profit and management bias within accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of fraud or non-compliance with laws and regulations;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations to increase profit;
- Review of board minutes;
- Obtaining supporting audit evidence for the significant assumptions and judgements made by the management;
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

WHP FACILITIES LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WHP FACILITIES LTD

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. 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; and take advantage of the small companies exemption in preparing the Directors' Report. We have no exceptions to report arising from this responsibility.



Jonathan Greenaway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
23 December 2021

WHP FACILITIES LTD

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	4,850,000	5,500,000
Cost of sales before exceptional items		(4,705,986)	(5,220,289)
Exceptional cost of sales		(117,242)	(204,974)
Total cost of sales		(4,823,228)	(5,425,263)
Gross profit before exceptional items		144,014	279,711
Gross profit after exceptional items		26,772	74,737
Administrative expenses before exceptional items		(28,551)	(24,689)
Exceptional administrative expenses		(8,000)	77,241
Other operating income	4	164,634	-
Total administrative expenses		128,083	52,552
Operating profit before exceptional items	5	280,097	255,022
Operating profit after exceptional items	5	154,855	127,289
Interest payable and similar expenses		(10,161)	-
Profit before taxation		144,694	127,289
Tax on profit	8	-	-
Profit for the financial year		144,694	127,289

The profit and loss account has been prepared on the basis that all operations are continuing operations.
The notes on pages 10 to 18 form part of these financial statements.

WHP FACILITIES LTD

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible fixed assets	9		-		-
Investments			-		-
			<u>-</u>		<u>-</u>
Current assets					
Debtors	11	2,448,637		1,363,765	
Cash at bank and in hand		2,249		35,124	
		<u>2,450,886</u>		<u>1,398,889</u>	
Creditors: amounts falling due within one year	12	<u>(1,499,492)</u>		<u>(592,189)</u>	
Net current assets			<u>951,394</u>		<u>806,700</u>
Total assets less current liabilities			<u>951,394</u>		<u>806,700</u>
Net assets			<u>951,394</u>		<u>806,700</u>
Capital and reserves					
Called up share capital	14		60		60
Profit and loss account			<u>951,334</u>		<u>806,640</u>
Total equity			<u>951,394</u>		<u>806,700</u>

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the provisions of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" as amended by Section 1A "Small Entities".

The financial statements on pages 7 to 18 were approved by the board of directors and authorised for issue on 23 December 2021 and are signed on its behalf by:

C Farquhar Digitally signed by C Farquhar
Date: 2021.12.23 10:14:30 Z

Mrs C Farquhar
Director

Company Registration No. 06837338

The notes on pages 10 to 18 form part of these financial statements.

WHP FACILITIES LTD

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital £	Profit and loss account £	Total equity £
Balance at 1 January 2019	60	679,351	679,411
Year ended 31 December 2019:			
Profit and total comprehensive income for the year	-	127,289	127,289
Balance at 31 December 2019	<u>60</u>	<u>806,640</u>	<u>806,700</u>
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	144,694	144,694
Balance at 31 December 2020	<u>60</u>	<u>951,334</u>	<u>951,394</u>

The notes on pages 10 to 18 form part of these financial statements.

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

WHP Facilities Ltd is a company limited by shares incorporated in the United Kingdom. The registered office is Riverside House, Delta Bank Road, Metro Riverside Park, Gateshead, England, NE11 9DJ. The principal activity of the company is the provision of management services.

1.1 Accounting convention

These financial statements have been prepared in accordance with Section 1A of FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

1.2 Going concern

The directors are of the opinion that the financial statements should be prepared on a going concern basis. In forming this opinion, the Board has considered forecasts prepared, with multiple scenarios, taking account of the information currently known about the Covid-19 pandemic.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% on cost
Computers	33% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Cash and cash equivalents

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

1.8 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

1.8 Financial instruments (continued)

Impairment of financial assets

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

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

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

Derecognition of financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

1.9 Equity instruments

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

1.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

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

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

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

1.13 Leases

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Exceptional costs

Exceptional costs are transactions that fall within the ordinary activities of the company but are unusual and substantial. Due to their size and nature, exceptional costs are presented separately on the face of income statement.

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies (continued)

1.15 Exemptions

The company is exempt under section 400 of the Companies Act from the requirement to prepare consolidated financial statements.

In addition, the company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

- the requirement of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48 (a) (iii), 11.48 (a) (iv), 11.48 (b) and 11.48 (c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29 (a), 12.29 (b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18 (b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of WHP Investments UK Ltd as at 31st December 2020. These financial statements may be obtained from Riverside House, Delta Bank Road, Gateshead, NE11 9DJ.

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover

All the company's turnover is derived from its principal activities and is made to markets within the UK.

4 Other operating income

	2020 £	2019 £
Grants received under the Coronavirus Job Retention Scheme	164,634	-

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

5 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging:		
Fees payable to the company's auditors for the audit of the company's financial statements	1,300	1,300
Exceptional items:		
Cost of sales and administration expenses	<u>125,242</u>	<u>127,733</u>

Exceptional items during the year of £125,242 (2019: £127,733) relate primarily to the impact of Covid-19.

6 Employees

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

	2020 Number	2019 Number
Employees	<u>81</u>	<u>87</u>

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	4,337,223	4,738,880
Social security costs	473,497	545,436
Other pension costs	142,837	140,947
	<u>4,953,557</u>	<u>5,425,263</u>

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	540,447	687,318
Company pension contributions to defined contribution schemes	30,924	34,958
	<u>571,371</u>	<u>722,276</u>

8 Tax on profit

	2020 £	2019 £
Current tax		
UK corporation tax on profit for the current year	-	-
Adjustments in respect of prior periods	-	-
Total tax credit	<u>-</u>	<u>-</u>

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

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Profit before taxation	144,694	127,289
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2019: 19%)	27,492	24,185
Effects of group relief	(34,403)	(26,979)
Expenses not deductible	1,930	1,187
Income not taxable	(189)	-
Deferred tax not provided	5,170	1,607
Taxation for the year	-	-

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements. Deferred taxes at the balance sheet date have been measured using the enacted rate of 19% as at 31st December 2020.

9 Tangible assets

	Fixtures and fittings £	Computers £	Total £
Cost			
1 January 2020	3,988	60,565	64,553
Disposals	(3,988)	(60,565)	(64,553)
As 31 December 2020	-	-	-
Depreciation and impairment			
At 1 January 2020	3,988	60,565	64,553
Disposals	(3,988)	(60,565)	(64,553)
At 31 December 2020	-	-	-
Carrying amount			
At 31 December 2020	-	-	-
At 31 December 2019	-	-	-

10 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,329,501	1,363,765
Carrying amount of financial liabilities		
Measured at amortised cost	195,448	130,140

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Amounts owed by group undertakings	2,179,501	1,363,510
Other debtors	269,136	255
Prepayments and accrued income	-	-
	2,448,637	1,363,765

Amounts owed by group undertakings are unsecured, repayable on demand and bear no interest.

12 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	3,363	-
Amounts owed to group undertakings	105,085	91,665
Taxation and social security	1,334,044	462,049
Other creditors	52,000	24,175
Accruals and deferred income	5,000	14,300
	1,499,492	592,189

Amounts owed to group undertakings are unsecured, repayable on demand and bear no interest.

13 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	142,837	140,947

The company operates a defined contribution pension scheme for all qualifying employees. The charge to profit or loss in respect of defined contribution schemes was £142,837 (2019: £140,947).

14 Called up share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
60 Ordinary shares of £1 each	60	60

WHP FACILITIES LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

15 Directors' transactions

Dividends totaling £nil (2019: £nil) were paid in the year in respect of shares held by each of the company's directors.

16 Subsidiaries

Details of the company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking	Country of incorporation or residency	Nature of business	Class of shareholding	% Held	
				Direct	Indirect
WHP Engineering Ltd	England	Engineering design consultants	Ordinary shares	100.00	-
Sextant (Southern) Ltd	England	Dormant	Ordinary shares	100.00	-

Each of the investments are registered in the United Kingdom and have the same registered address as WHP Facilities Ltd as listed above. The investment in subsidiaries is shown at cost less impairment.

17 Related party transactions

The company has taken advantage of the exemption contained in paragraph 33.1A of FRS 102 and has not disclosed transactions with companies that wholly owns or is a wholly owned subsidiary of.

18 Controlling party

The company's immediate and parent company is WHP Investments UK Ltd, a company registered in England & Wales. The company's ultimate parent company is Endless LLP, a limited liability partnership registered in England & Wales.

The largest and smallest group of companies for which the consolidated financial statements of WHP Facilities Ltd are prepared is WHP Investments UK Ltd, these financial statements can be obtained from Companies House.