Company Registration No. 07650325

YESSS (B) Electrical Ltd

Annual Report and Financial Statements
For the year ended 30 April 2021

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Officers and Professional Advisors

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M Nolan
M Abbey

Company Secretary

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Auditor

Deloitte LLP
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Bankers

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London,
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NatWest Group Plc
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Hogan Lovells International LLP
Atlantic House
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YESSS (B) Electrical Ltd
Annual report and financial statements
For the year ended 30 April 2021

Strategic Report

The directors present their Strategic Report for the year ended 30 April 2021.

Review of the business in the year

The principal activity of YESSS (B) Electrical Ltd (the Company), which trades as YESSS Electrical, is non-specialised wholesaling, serving both the trade and public, supplying both electrical and non-electrical products.

The mission statement for the Company is 'YESSS, our purpose is to create superior value for our customers by delivering world class Supplies, Service and Solutions'.

The Company, along with YESSS (A) Electrical Ltd, YESSS (IOM) Electrical Ltd, YESSS (Guernsey) Electrical Ltd and Metropolitan Distribution (Jersey) Ltd, 4 associated companies, operate from a 70,000 sq ft National Distribution Centre (NDC) in Normanton, West Yorkshire, and via a 100 strong national branch network.

The results for the Company for the year show a 2.0% decrease (2020: 11.9% decrease) in turnover from £73.6m in 2020 to £72.1m in 2021. Gross profit margin decreased 1.6% (2020: 0.1% increase) from 29.1% to 27.5%. The operating loss for the year of £4.3m is greater than the £2.4m operating loss made in 2020. The net debt of the Company has decreased from £37.9m in 2020 to £6.6m in 2021 mainly as a result of the Company capitalising a significant amount of parent company loans to equity in May 2020 (see note 17). During the year the Company accessed the COVID19 support measures that were available, securing furlough payments under the Coronavirus Job Retention Scheme (CJRS) and deferring VAT payments where allowable. The Company also recognised £0.2m relating to a grant received as part of COVID-19 retail support provided by the UK government to support the cost of store rentals during lockdown. The Directors consider the above metrics to be the key performance indicators of the business and whilst there has been adverse movement relative to the prior year as a result of increased competition and COVID-19, there is a strategic plan in place to increase turnover in the coming year.

Position of the company's business at the end of the year and future prospects

The Company's net assets as at 30 April 2021 are £1.6m (2020: net liabilities £22.1m).

Trade debtors have decreased by £1.8m, from £9.6m last year to £7.8m at the year end. Debtor days were 33 days compared with 46 days in the previous year.

The value of stock decreased by £0.7m from £10.9m to £10.2m due to lower in-year purchases, with the number of stock turns increased from 6.8 to 7.0.

The future outlook of the business faces challenges as a result of COVID-19 and the decrease in economic activity across the UK, however the Directors remain positive due to the Company's strong position in the marketplace, its wide customer base and the Company's strategic plan which will seek an increase in turnover and reduction in costs.

Post year end on the 13th October 2021 the Company, along with its sister Company YESSS (A) Electrical Limited, completed a refinancing of its bank facilities, ensuring the Company has sufficient facilities to meet cash requirements and provide headroom again the financial forecasts prepared to facilitate the refinancing.

Section 172 (1) Statement

In accordance with the Companies Act 2006 ('The Act') the directors provide this statement describing how they have had regard to the matters set out in section 172 (1) of the Act, when performing their duty to promote the success of the company, under Section 172.

The Directors always aim to act in the best interests of the Company, and to be fair and balanced in its approach. The needs of different stakeholders are always considered as well as the consequences of any decision in the long-term and the importance of our internally published high standards of business conduct. More specific information is given in sub-paragraphs (a) to (f), which corresponds to the individual factors disclosed under Section 172 (1).

Strategic Report

Section 172 (1) Statement (continued)

a) Long term decision making

Being part of a wider family owned group across Europe inherently focuses the Company's decisions on the long term. The Owners have delegated responsibilities to the Directors to ensure efficient continued operations, whilst maintaining oversight and how annual results fit together with the group as a whole.

b) Stakeholders: Employees

It is the opinion of both the Owners and Directors that abilities and commitment of the collective workforce is instrumental in ensuring the continued progress towards the Company's objectives. Positive employee engagement is a priority for the Directors and considerations are made on a recurrent basis to promote this.

c) Stakeholders: Customers, Suppliers, Others

The Directors are acutely aware that the future success of the Company relies heavily on an effective partnership with both customers and suppliers. This idea is reinforced across the business at all levels to ensure a unified message is delivered. Regular engagement across a broad range of external parties is encouraged.

d) Stakeholders: Community & Environment

Through its branch network, the Company is part of and invested in various communities across the country. The directors encourage engagement within these groups at a local level through opportunities such as fundraising and sponsorship. As a retailer of electrical goods, the management team is aware of the relevant legislation required to dispose of waste in a responsible manner and ensures the standards are upheld throughout the business.

e) Reputation for high standards of business conduct

It is critical as a business in a competitive environment to ensure we maintain a high-class reputation through our supplier and customer network. The Directors regularly engage with key business partners and encourage strong third-party relationships across the business.

f) Acting fairly between members of the Company

Membership is limited to the Company's Group owners as part of a family business, who own all the single class of shares that have been distributed. Promoting a fair working environment is a priority for the owners to enable continued engagement across the Company.

Going Concern

Despite the Company being in a net liability position at year end, the directors have prepared cash flow forecasts for the consolidated position of YESSS (A) Electrical Ltd and YESSS (B) Electrical Ltd. The directors believe it is appropriate to assess cash flows on a consolidated level as the operations of both entities are significantly intertwined and run by the same management group. The forecasts consider the possible trading conditions the business may face over the next twelve months as the UK continues to deal with the impacts from COVID-19. These forecasts are based on many assumptions in respect of revenue, costs and working capital movements. Although the Company is in a net liability position, this has no material impact on short term cash flows. Accordingly, as a result of the analysis summarised below, the Directors have prepared the financial statements on a going concern basis.

The Company meets its day-to-day working capital requirements through its cash generation from company operations through sales of electrical and non-electrical products. The current economic conditions continue to create uncertainty particularly over the level of demand for the Company's products. The industry in which we operate is largely deemed as essential, critical infrastructure by the UK government. As noted on page 2 in the Strategic Report the Company completed its refinancing exercise on 13th October 2021 which introduced new financial covenants which are sensitive to fluctuations in EBITDA.

Strategic Report

Going Concern (continued)

The Company sells a variety of electrical and non-electrical products which are used in various industries and the demand for these products has increased due to COVID-19 as spending patterns of consumers have changed. Although the directors cannot predict the extent and duration of COVID-19 crisis, the directors have undertaken a rigorous assessment of the potential impact of COVID-19 on demand for its products and the impact on margins for over 12 months from the date of signing these financial statements. In particular, the directors have stress tested the impact on EBITDA, cash flow and debt. The stress testing and sensitivity analysis on both EBITDA and cash flow has indicated that the Company would still have sufficient cash flow to meet all of its obligations as they fall due within the next 12 months from the date of signing. In the more severe scenarios modelled, the Company may need to use a mitigating actions to avoid a covenant breach. These mitigating actions include the renunciation of intercompany royalty payments, the recipient of these payments has provided a written commitment to do so if necessary.

Throughout 2021 the Company experienced and expects, even under sever but plausible downside scenarios, to continue to see excess headroom against the covenant measures associated with its external borrowing. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities.

Having assessed the principal risks, the directors considered it appropriate to adopt the going concern basis of accounting in preparing its financial statements. In making its going concern assessment, the Company has considered its history of performance and the more recent experience of operating and financial performance since the outbreak of the COVID-19 pandemic, likely future cash flows under a number of market-based scenarios, and contractual payments under its debt facilities and the related covenant requirements. The Company is confident in its ability to meet its commitments as they become due.

Principal risks and uncertainties

The impact on the Company's business of 'Brexit is still uncertain. As a 'downstream supplier' to large infrastructure and construction projects, delays in investment resulting from uncertainty are likely to have an impact on the business. Despite the restrictions as a result of COVID-19, the Company's supply chains remain operational to a satisfactory level. The Company will look to mitigate the impact of Brexit, COVID-19 and the wider economic downturn on the performance of the business through continuing to develop its strategy of developing a wide branch network serving a wide customer base and increasing the number of live trading accounts (LTAs), thus reducing reliance on any specific customer or geographical area across the UK.

Funding the growth of the business, until the business becomes profitable is a key risk, however, funding lines are secure as the company is financed with long term debt from the parent company and continued funding through this channel during the year shows clear support and intent. The Company is exposed to a competitive market. The Company ensures it competes effectively by focusing on delivering the right offer for customers via a mix of and price, stock availability and strong service and solutions. This strategy is working, as demonstrated by the growth in sales in the year.

As a result of the 2021 COVID-19 pandemic, general expectations of economic activity for the Company and across the UK have changed. The impact on the Company's normal activities is still ongoing and as such, yet to be fully assessed. The Directors consult regularly with various departments across the business regarding legal changes and consumer habits within the sector and have plans in place to mitigate the market downturn.

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Strategic Report

Principal risks and uncertainties (continued)

Credit risk

The Company's principal financial assets are bank balances and cash, and trade and other receivables. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful debts. An allowance for impairment is made where there is an identified loss event based on previous experience. The Company has no significant concentration of credit risk other than receivable balances with members of the Group. The exposure on other receivable balances is spread over a large number of counterparties and customers.

Liquidity risk

The Company used a mixture of long-term shareholder debt and bank debt in order to maintain liquidity to ensure that sufficient funds were available for ongoing operations and future development. Funding the growth of the business, until the business becomes profitable is a key risk, however, funding lines are secure as the Company is financed with long term debt from the parent company and continued funding during the year shows clear support from the Group to the Company.

Interest risk

As the Company utilises debt to ensure liquidity, a risk is present relating to changing interest rates. The Company regularaly reviews the terms of such funding and the general market direction which determines certain interest rates to anticpate increased charges. With the conversion of shareholder funding into share capital, the Company has significantly reduced its exposure to interest risk relative to prior years.

The Company is exposed to a competitive market. The Company ensures it competes effectively by focusing on delivering the right offer for customers via a mix of and price, stock availability and strong service and solutions.

Approved and signed on behalf of the directors

M Abbey
Director
28 / 10 / 2021

Directors' Report

The directors present their Annual Report and the audited financial statements for the year ended 30 April 2021.

Results

The results for the year are set out on page 11.

Dividends

No dividends (2020: £nil) could be proposed or paid during the year.

Shares

During the year, 28,095,202 shares were issued at par value.

Future Developments

Details of future developments can be found in the Strategic Report on page 2 and form part of this report by cross-reference.

Directors

The directors who served during the year and to the date of signing this report are as stated below:

M Nolan
M Abbey
N Hall (appointed 4th January 2021, resigned 15th February 2021

Going concern

Refer to the Strategic Report for consideration of going concern.

Approval of reduced disclosures

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions in FRS 101 paragraph 1.12. The Company's shareholders were notified about the intention to take advantage of the disclosure exemptions in the prior year financial statements and going forwards, and no objections were received. As such, the Company continues to adopt the disclosure exemptions where applicable.

Disabled employees

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

Employee consultation

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the Company. This is achieved through formal and informal meetings, with an annual meeting for employees specifically on the annual financial statements. Employee representatives are consulted regularly on a wide range of matters affecting their current and future interests. Incentive schemes are in place to encourage employee involvement in the positive performance of the Company.

Directors' Report

Donations

Charitable donations during the year amounted to £6,326 (2020: £1,987).

Political donations

The company made no political donations in the year (2020: nil).

Energy and carbon reporting

In line with Energy and Carbon Reporting requirements, the Company discloses the following figures relating to purchase and use of electricity for building use and fuel for company vehicle use. Usage has been recorded from supplier invoices and conversions where necessary have been made using government provided conversion factors.

- Consumption of fuel for transport purposes: 696 k kg CO2 (2020: 1,115k kg CO2)
- Purchase and use of electricity: 230k kg CO2 (2020: 286k kg CO2)
- Aggregate annual quantity of energy consumed in the year: 3,905k kwh (2020: 5,278k kwh)
- Through the purchase and use of energy, the Company is responsible for 12.86 kg CO2 per £1k of revenue (2020:19.03 kg CO2 per £1k of revenue)

Principal risks and uncertainties

Consideration in respect to this has been made in the Strategic Report found on page 2.

Statement on Business Relations

Please refer to Section 172 statement in the strategic report

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of the directors which were made during the year and remain in force at the date of this report.

Auditor

Deloitte LLP have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

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

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved and signed on behalf of the directors.

M Abbey
Director
28/10/2021

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report to the members of YESSS (B) Electrical Ltd

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of YESSS (B) Electrical Ltd (the 'company'):

- give a true and fair view of the state of the company's affairs as at 30 April 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent auditor's report to the members of YESSS (B) Electrical Ltd

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditor's report.

Independent auditor's report to the members of YESSS (B) Electrical Ltd

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty, such as GDPR, employment law, health and safety and building regulations.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address them are described below:

- Revenue recognition through the use of manual journals - we have addressed this risk by identifying manual journals affecting the revenue balance and obtaining support behind a sample of these journals.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations.

Independent auditor's report to the members of YESSS (B) Electrical Ltd

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

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

E Benson

Elizabeth Benson, BSc ACA, (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

Leeds, United Kingdom

29 October 2021

YESSS (B) Electrical Ltd
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Profit and Loss Account

	Notes	2021 £'000	2020 £'000
Revenue	3	72,065	73,594
Cost of sales		(52,272)	(52,191)
Gross profit		19,793	21,403
Administrative expenses		(24,116)	(23,834)
Operating loss		(4,323)	(2,431)
Finance costs	8	(758)	(1,857)
Other income	5	732	257
Loss before taxation		(4,349)	(4,031)
Tax	9	-	-
Loss for the financial year	4	(4,349)	(4,031)

There are no other items of income or expense other than the loss for the above financial year. Accordingly, a separate Statement of Comprehensive Income has not been prepared.

All the above results derive from continuing operations in a single class of business and geographic location.

The accompanying notes are an integral part of this profit and loss account.

Balance Sheet

	Notes	2021 £'000	2020 £'000
Fixed assets			
Tangible assets	10	2,402	3,859
Right of use assets	11	6,845	9,139
		9,247	12,998
Current assets			
Stocks	12	10,222	10,923
Debtors:	13		
- due within one year		10,801	14,151
- due after one year		-	122
Cash at bank and in hand		3,557	933
		24,580	26,129
Current creditors			
Trade creditors	14	(18,329)	(17,790)
Lease liabilities	16	(1,803)	(1,813)
		(20,132)	(19,603)
Total assets less current liabilities		13,695	19,524
Non-current creditors			
Trade creditors	15	(6,056)	(34,143)
Lease liabilities	16	(5,995)	(7,483)
		(12,051)	(41,626)
Net assets/(liabilities)		1,644	(22,102)
Capital and reserves			
Called-up share capital	17	53,095	25,000
Share premium account		1,500	1,500
Profit and loss account		(52,951)	(48,602)
Shareholder's funds/(deficit)		1,644	(22,102)

The financial statements of YESSS (B) Electrical Ltd, (registered number 07650325) were approved by the Board of Directors and authorised for issue on

Signed on behalf of the Board of Directors

M Abbey
Director

28 / 10 / 2021

YESSS (B) Electrical Ltd
Annual report and financial statements
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Statement of Changes in Equity

	Called up share capital	Share premium account	Profit and loss account	Total
	£'000	£'000	£'000	£'000
Changes in equity for the year ended 30 April 2020				
Balance at 1 May 2019	10,700	1,500	(45,318)	(33,118)
Total comprehensive expense	-	-	(4,031)	(4,031)
Issue of shares in year	14,300	-	-	14,300
IFRS 16 adjustment	-	-	747	747
Balance at 30 April 2020	25,000	1,500	(48,602)	(22,102)
Changes in equity for the year ended 30 April 2021				
Balance at 1 May 2020	25,000	1,500	(48,602)	(22,102)
Total comprehensive expense	-	-	(4,349)	(4,349)
Issue of shares in year (see note 17)	28,095	-	-	28,095
Balance at 30 April 2021	53,095	1,500	(52,951)	1,644

Notes to the Financial Statements

1. Accounting policies

The principal accounting policies are summarised below.

a. Going concern

The financial statements have been prepared on a going concern basis and the Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council.

Despite the Company being in a net liability position at year end, the directors have prepared cash flow forecasts for the consolidated position of YESSS (A) Electrical Ltd and YESSS (B) Electrical Ltd. The directors believe it is appropriate to assess cash flows on a consolidated level as the operations of both entities are significantly intertwined and run by the same management group. The forecasts consider the possible trading conditions the business may face over the next twelve months as the UK continues to deal with the impacts from COVID-19. These forecasts are based on many assumptions in respect of revenue, costs and working capital movements. Although the Company is in a net liability position, this has no material impact on short term cash flows. Accordingly, as a result of the analysis summarised below, the Directors have prepared the financial statements on a going concern basis.

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The Company sells a variety of electrical and non-electrical products which are used in various industries and the demand for these products has increased due to COVID-19 as spending patterns of consumers have changed. Although the directors cannot predict the extent and duration of COVID-19 crisis, the directors have undertaken a rigorous assessment of the potential impact of COVID-19 on demand for its products and the impact on margins for over 12 months from the date of signing these financial statements. In particular, the directors have stress tested the impact on EBITDA, cash flow and debt. The stress testing and sensitivity analysis on both EBITDA and cash flow has indicated that the Company would still have sufficient cash flow to meet all of its obligations as they fall due within the next 12 months from the date of signing. In the more severe scenarios modelled, the Company may need to use a mitigating actions to avoid a covenant breach. These mitigating actions include the waiver of intercompany royalty payments, the recipient of these payments has provided a written commitment to do so if necessary.

Throughout 2021 the Company experienced and expects, even under sever but plausible downside scenarios, to continue to see excess headroom against the covenant measures associated with its external borrowing. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities.

Having assessed the principal risks, the directors considered it appropriate to adopt the going concern basis of accounting in preparing its financial statements. In making its going concern assessment, the Company has considered its history of performance and the more recent experience of operating and financial performance since the outbreak of the COVID-19 pandemic, likely future cash flows under a number of market based scenarios, and contractual payments under its debt facilities and the related covenant requirements. The Company is confident in its ability to meet its commitments as they become due.

Notes to the Financial Statements

1. Accounting policies (continued)

b. Basis of accounting

YESSS (B) Electrical Ltd is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006. The Company is registered in England and Wales with the address of the registered office given on page 1. The nature of the company's operations and its principal activities are set out in the Strategic Report on page 2.

The company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 (Financial Reporting Standard 101) 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.
The financial statements have been prepared on the historical cost basis. Historical cost is generally based on fair value of the consideration given in exchange for the goods and services.

Exemptions for qualifying entities under FRS 101

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of comparative information in respect of certain assets, impairment of assets, presentation of a cash-flow statement, financial instruments and remuneration for key management personnel. Where required, equivalent disclosures are given in the group financial statements of Inter Holdings II SARL, a company incorporated in Luxembourg.

The Group financial statements of Inter Holdings II SARL are available to the public and can be obtained as set out in note 18.

New and revised standards

At the date of authorisation of these financial statements, the following new or amended IFRS accounting standards and interpretations, which have not yet been adopted by the Company, were in issue but not yet effective:

- IAS 19 – Employee Benefits
- 2015 – 2017 Annual Improvements Cycle
- IFRS 3 – Business Combinations
- Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16' was issued in August 2020 and will be effective from 1 January 2021. The Phase 2 amendments address issues that arise from implementation of the reforms, including the replacement of one benchmark with an alternative one. A practical expedient is provided such that the change to contractual cash flows for financial assets and liabilities (including lease liabilities) is accounted for prospectively by revising the effective interest rate.
- Interest rate benchmark reform 'Interest rate benchmark reform – Amendments to IFRS 9, IAS 39 and IFRS 7' was issued by the IASB in September 2019. At 30 April 2021, the Company was not directly exposed to interest rate benchmark reform as it held no interest rate derivative that referenced LIBOR.

c. Tangible fixed assets and depreciation

Tangible assets are measured at cost less depreciation and impairment. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

- Computer equipment - straight-line over 2-4 years
- Leasehold improvement - straight-line over 10 years
- Motor vehicles - straight-line over 4 years
- Plant and office equipment - straight-line over 5-10 years

Notes to the Financial Statements

1. Accounting policies (continued)

d. Leases and right of use assets

IFRS 16 Leases substantially changed the financial statements, as the majority of leases for which the Company is the lessee became on-balance sheet liabilities with corresponding right-of-use assets also recognized on the balance sheet. By value, the majority of the Company's lease arrangements relate to store buildings, with the remainder relating to vehicles. The lease liability reflects the net present value of the remaining lease payments, and the right-of-use asset corresponds to the lease liability, adjusted for payments made before the start date, lease incentives and other items related to the lease agreement. The standard replaces IAS 17 Leases.

The Company implemented the new standard on 1 May 2020, and applied the modified retrospective method, with right-of-use assets measured at an amount equal to the lease liability, adjusted by the amount of the prepaid or accrued lease payments relating to those leases recognized in the balance sheet immediately before the date of initial application and did not restate prior years.

e. Impairment of tangible and intangible assets

At each balance sheet 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

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.

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.

f. 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 balance sheet date.

Notes to the Financial Statements

1. Accounting policies (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet 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 based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

g. Turnover
Turnover is stated net of VAT and trade discounts.

Sale of goods

Turnover from the sale of goods is recognised when all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Turnover is reduced for estimated customer returns, rebates and other similar allowances.

Notes to the Financial Statements

1. Accounting policies (continued)

h. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

i. Rebates

Supplier rebate income is recognised on an accrual basis in accordance with the substance of the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Rebate arrangements, purchases and other measures are recognised by reference to the underlying arrangement. Supplier rebate income is recognised as a deduction against cost of goods sold. The supplier rebate income receivable at year end is recognised as a reduction to trade creditors as they will be net settled.

j. Pension costs

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period.

k. Foreign currency

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

l. Finance costs

As explained below, where financial liabilities are measured at amortised cost using the effective interest method, interest expense is recognised on an effective yield basis in profit or loss within finance costs.

Finance costs which are directly attributable to the construction of tangible fixed assets are capitalised as part of the cost of those assets. The commencement of capitalisation begins when both finance costs and expenditures for the asset are being incurred and activities that are necessary to get the asset ready for use are in progress. Capitalisation ceases when substantially all the activities that are necessary to get the asset ready for use are complete.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Notes to the Financial Statements

1. Accounting policies (continued)

m. Financial instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

i. *Financial Assets*

All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

ii. ***Loans and receivables***

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

iii. ***Impairment of financial assets***

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet 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 of the investment have been affected.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

The Company maintains policies for managing credit risk such as credit approval limits and set standards for risk measurement. The risk of default is monitored on an ongoing basis. In order to manage the level of risk, the Company assesses the financial strength of other parties and sets appropriate credit limits to mitigate a significant loss in relation to one party, industry or geographic location.

iv. ***Financial liabilities and equity***

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Notes to the Financial Statements

1. Accounting policies (continued)

m. Financial instruments (continued)

v. *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

vi. *Financial liabilities*

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

vii. *Derecognition of financial assets*

The Company derecognises financial assets when: all cash flows have expired; risks and rewards of the asset have been transferred; or the Company no longer retains control of the asset.

viii. *Derecognition of financial liabilities*

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

n. Government grants

Government grants are only recognised when there is reasonable assurance that the Company will comply with any attached conditions and that they will be received. The grants are recognised as 'other income' over the same period as the related costs. Any unfilled conditions will be stated within the accounts where the grants have been recognised.

m. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 1 above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Dilapidation provisions

Estimates are made for the potential costs incurred of returning leased properties to a condition similar to when the lease began using advice from surveyors and costs expensed in other experiences of exit costs. The Directors believe there will be minimal associated costs given the extent of the modifications and property conditions, and that the actual cost to be incurred is likely to be immaterial.

Notes to the Financial Statements

Impairment of Tangible Fixed Assets and Right of Use Assets

Tangible fixed assets are held at a net book value of £2,402,000 (2020: £3,859,000). Right of use assets are held at a net book value of £6,845,000 (2020: £9,139,000). Determining whether the assets are impaired requires an estimation that the investment is not carried at more than their recoverable amount (i.e. the higher of the fair value less costs of disposal 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.

Receivables provisions

In the course of normal trading activities, judgement is used to establish the net realisable value trade receivables. Provisions are made against bad or doubtful debts in line with the Company's accounting policies based on the aging profile of the receivables and then applying management judgement. As at 30 April 2021, the bad and doubtful debt provision was £2.8m (2020: £2.7m). The Company has determined that there will be no material change within the next financial year.

Inventory provisions

Judgement is used to establish the net realisable value of inventory. Provisions are made against obsolete inventory in line with the Company's accounting policies based on the aging profile of the inventory and then applying management judgement. As at 30 April 2021, the inventory provision was £1.8m (2020: £0.9m). The Company has determined that there will be no material change within the next financial year.

Critical judgements in applying the Company's accounting policies

The Directors do not consider there are any critical judgements in applying the Company's accounting policies.

Notes to the Financial Statements

3 Turnover and revenue

An analysis of the Company's turnover and revenue as follows:

	2021 £'000	2020 £'000
Sales of goods	72,065	73,594
Total revenue	72,065	73,594

All revenue relates to UK sales..

4 Loss for the year

Loss from continuing operations for the year is stated after charging/(crediting):

	2021 £'000	2020 £'000
Depreciation and other amounts written off tangible assets	1,105	1,124
Depreciation on right of use assets	2,001	2,030
Foreign exchange loss	265	519
Cost of stock recognised as an expense	57,377	50,994
Loss on disposal of tangible assets	1	37
Impairment of tangible and right of use assets	1,027	-
Bad debt charge	1,102	(364)

5 Other income

	2021 £'000	2020 £'000
Government salary grants	732	257
	732	257

The salary grants relate to the government Coronavirus Job Rentention Scheme to cover a portion of employee costs for furloughed workers.

Notes to the Financial Statements

6 Auditor's remuneration

Fees payable to Deloitte LLP and their associates for the audit of the company's financial statements were £52,000 (2020: £51,100).

Fees payable to Deloitte LLP and their associates for non-audit services to the company are not required to be disclosed as the consolidated financial statements of the parent company disclose such fees on a consolidated basis.

7 Information regarding directors and employees

One of the two Company directors received remuneration and benefits from YESSS (B) Electrical Ltd. The other director is employed by YESSS (A) Electrical Ltd, to which they devote the substantial part of their time and accordingly receive no remuneration, fees or benefits from the Company.

	2021	2020
	£'000	£'000
Directors' remuneration		
Remuneration and other emoluments	223	567
Defined contribution pension schemes	1	9
Highest paid director amounts included above:		
Emoluments and other benefits	224	321

	2021	2020
	No.	No.
Monthly average number of persons employed		
Selling and operations	251	306
Management and administration	70	85
	321	391

	2021	2020
	£'000	£'000
Staff costs during the year (including directors)		
Wages and salaries	11,865	12,158
Social security costs	1,390	1,533
Pensions costs	144	186
	13,399	13,877

Notes to the Financial Statements

8 Finance costs

	2021 £'000	2020 £'000
Bank loan facilities interest payable	63	166
Other interest and finance charges	40	61
Interest payable on parent company loans	115	807
Interest payable on unwining of lease liabilities	275	311
Net exchange loss on foreign currency loans	265	512
	758	1,857

9 Tax on loss

	2021 £'000	2020 £'000
Loss before taxation	(4,349)	(4,031)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020: 19%)	(826)	(766)
Effects of:		
Tax adjusted profit (offset by prior year losses)	431	301
Depreciation in excess of capital allowances	190	221
Timing differences	62	(59)
Permanent disallowables	52	57
Group interest adjustments	75	246
IFRS adjustments	16	-
Tax result for year	-	-

A potential deferred tax asset of £7.5m (2020: £7.4m) relating to tax losses carried forward and fixed asset timing differences has not been recognised on the grounds that it is not deemed recoverable in accordance with the applicable accounting standards.

The Finance Act 2016 had previously enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020 and accordingly the deferred tax at 31 March 2019 had been calculated at this rate. However, in the March 2020 Budget it was announced that the reduction will not occurr and the Corporation Tax Rate will be held at 19%. The Provisional Collection of Taxes Act was used to substantively enact the revised 19% tax rate on 17 March 2020 and accordingly the deferred tax balances have been re-calculated to 19% at the year end.

The March 2021 Budget announced a further increase to the main rate of corporation tax to 25% from April 2023 which was not substantively enacted at the balance sheet date, as result deferred tax balances as at 31 March 2021 continue to be measured at 19%..

Notes to the Financial Statements

10 Tangible fixed assets

	Leasehold improvements	Plant & office equipment	Computer equipment	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
As at 1 May 2020	7,779	887	1,369	15	10,050
Additions	7	7	101	-	115
Disposals	(41)	(6)	(127)	-	(174)
As at 30 April 2021	7,745	888	1,343	15	9,991
Accumulated depreciation					
As at 1 May 2020	4,620	570	993	8	6,191
Charge in year	815	60	228	2	1,105
Impairment	317	11	10	-	338
Disposals	(27)	(5)	(13)	-	(45)
As at 30 April 2021	5,725	636	1,218	10	7,589
Net book value					
As at 30 April 2021	2,020	252	125	5	2,402
As at 30 April 2020	3,159	317	376	7	3,859

Impairments relate to instances where the recoverable amount of store assets do not exceed their brought forward carrying value.

Notes to the Financial Statements

11 Right of Use Assets

	Land and Buildings	Motor vehicles	Total
	£'000	£'000	£'000
Cost			
As at 1 May 2020	9,930	1,239	11,169
Additions	129	333	462
Disposals	-	(266)	(266)
As at 30 April 2021	10,059	1,306	11,365
Accumulated depreciation			
As at 1 May 2020	1,629	401	2,030
Charge in year	1,447	554	2,001
Impairment	689	-	689
Disposals	-	(200)	(200)
As at 30 April 2021	3,765	755	4,520
Net book value			
As at 30 April 2021	6,294	551	6,845
As at 30 April 2020	8,301	838	9,139

Short term leases and leases of low value are not capitalised as a right of use asset.

Impairments relate to instances where the recoverable amount of store assets do not exceed their brought forward carrying value.

12 Stocks

	2021	2020
	£'000	£'000
Goods for resale	10,222	10,923

There are no material differences between the carrying value of the stocks and their replacement cost (2020: £nil).

Notes to the Financial Statements

13 Debtors

	2021 £'000	2020 £'000
Trade debtors receivable in less than one year	7,790	9,586
Debtors receivable in more than one year	-	122
Amounts owed by related undertakings (note 19)	2,302	3,548
Loans due from related parties (note 19)	-	317
Other debtors	623	144
Prepayments and accrued income	86	556
	10,801	14,273

The amounts due to related undertakings are trading balances repayable on demand. No interest is charged on these balances and they are not secured against the assets of the related undertakings. The long-term debtors balance in the prior year relates to building lease deposits.

14 Current creditors

	2021 £'000	2020 £'000
Invoice finance facility and overdrafts	4,652	4,748
Trade creditors	7,035	4,699
Amounts owed to the parent company (note 19)	165	853
Amounts owed to related undertakings (note 19)	659	1,542
Other taxes and payroll costs	4,859	4,895
Accruals and deferred income	959	1,053
	18,329	17,790

The invoice finance facility is secured against the trade debtors of the Company. Funds are drawn as and when required and is subject to variable interest of 1.8% above LIBOR.

Trade creditors are presented net of supplier rebate income of £881k (2020: £607k) as it is expected that there will be net settlement.

The amounts owed to related undertakings are trading balances repayable on demand. No interest is charged on these balances and they are not secured against the assets of the Company.

Post year end on the 13th October 2021 the Company, along with its sister Company YESSS (A) Electrical Limited, completed a refinancing of its bank facilities, ensuring the Company has sufficient facilities to meet cash requirements and provide headroom again the financial forecasts prepared to facilitate the refinancing.

Notes to the Financial Statements

15 Non-current creditors

	2021	2020
	£'000	£'000
Accrued interest on parent company loans (note 19)	-	50
Parent company loans (note 19)	5,290	33,135
Deferred consideration	766	958
	6,056	34,143

Repayable in two to five years	766	816
Repayable in greater than five years	5,290	33,327
	6,056	34,143

The parent company loans comprise of euro denominated loan funding provided by the parent company Inter Holdings II SARL. The loans are repayable on 31 March 2037 with various interest rates between 1.5% and 2.65%.

Notes to the Financial Statements

16 Lease Liabilities

	2021	2020
	£'000	£'000
Land and buildings	7,243	8,460
Motor Vehicles	555	836
	7,798	9,296
Less than one year	1,803	1,813
Current liability	1,803	1,813
One to five years	4,142	4,843
Greater than five years	1,853	2,640
Non-current liability	5,995	7,483
	7,798	9,296
Amounts recognised in profit or loss		
Interest on lease liabilities	275	311
Expenses relating to short term lease	760	69
	1,035	380
Lease related cash flows		
Operating cash flows	(760)	(69)
Interest paid	(280)	(276)
Financing cash flows	(1,832)	(1,710)
	(2,872)	(2,055)

Lease liability	**Minimum Lease Payments**	**Present Value**
	£'000	£'000
Less than one year	2,016	1,803
One to five years	4,798	4,142
Greater than five years	2,153	1,853
	8,967	7,798
Future finance charges	(1,169)	
	7,798	

Notes to the Financial Statements

16 Lease liabilities (continued)

By value, the majority of the leases that the Company is a party to relates to building leases for the stores. No single lease represents a disproportionate or material share of the total amount. The weighted average borrowing rate is 3.1% (2020: 3.3%). The average length of the building lease agreements is ten years, however depending on the specific requirements for a location and the interests of both parties, this can vary, along with other terms of the lease. Certain leases are subject to a deposit held by the lessor, the total value of which can be found in Note 13. Relevant accounting policies can be found in Note 1.

17 Share capital

	2021	2020
	£'000	£'000
Issued and fully paid:		
53,095,203 ordinary shares of £1 each (2020: 25,000,001)	53,095	25,000

The Company has one class of ordinary shares which carry no right to fixed income.

On 26 May 2020, the Company issued 28,095,202 ordinary shares of £1.00 each as fully paid to the parent company.

18 Controlling party

The Company's ultimate parent undertaking and ultimate controlling party is Inter Holdings II SARL, a company incorporated in Luxembourg. The shareholders in Inter Holdings II SARL are Adam Mackie and Ashley Mackie owning equal stakes in the business and are the controlling parties.

Inter Holdings II SARL is the smallest and largest group for which financial statements are prepared and which includes YESSS (B) Electrical Limited. These consolidated financial statements are publicly available by request from the registered office of Inter Holding II SARL at 5, rue Xavier Brasseur, L-4040 Esch-sur-Alzette.

Notes to the Financial Statements

19 Related party transactions

Related party	Relationship	Nature of transaction	2021 £'000 Transactions in year	2021 £'000 Year end (creditor) / debtor	2020 £'000 Transactions in year	2020 £'000 Year end (creditor) / debtor
Adam Mackie	Ultimate Shareholder	Sales	-	-	-	-
AER	Related undertaking	Sales	-	-	-	-
Amnack	Related undertaking	Purchases & recharges	(4,573)	(238)	(4,813)	(49)
Inter Holdings II	Parent Company	Interest & recharges	(1,083)	(165)	(1,025)	(903)
Inter Holdings II	Parent Company	Loans	-	(5,290)	(5,364)	(33,135)
LMH	Related undertaking	Royalties	(184)	-	(389)	-
MC AAA	Related undertaking	Recharges	-	-	-	-
Metropolitan Distribution (Jersey)	Related undertaking	Sales & recharges	108	(199)	265	(69)
MG Lites	Related undertaking	Sales & purchases	-	-	317	317
NETELEC	Related undertaking	Sales & purchases	-	-	1	-
Smart Digital Systems	Related undertaking	Sales & recharges	6	(1)	-	-
Soneparfi	Related undertaking	Loan	-	-	-	-
TDI	Related undertaking	Recharges	(556)	83	(416)	-
TOPL	Related undertaking	Recharges & Purchases	-	13	(8)	-
YESSS (A) Electrical	Related undertaking	Recharges	17,707	2,118	23,488	3,520
YESSS (C) Electrical	Related undertaking	Sales & recharges	(1)	(1)	-	-
YESSS (Guernsey) Electrical	Related undertaking	Sales & recharges	(97)	(109)	(40)	(28)

Notes to the Financial Statements

19 Related party transactions (continued)

Related party	Relationship	Nature of transaction	2021 £'000 Transactions in year	2021 £'000 Year end (creditor) / debtor	2020 £'000 Transactions in year	2020 £'000 Year end (creditor) / debtor
YESSS (IOM) Electrical	Related undertaking	Purchases & recharges	90	(74)	212	(21)
YESSS (W)	Related undertaking	Recharges	(65)	67	794	17
YESSS France	Related undertaking	Recharges	(2,507)	7	(1,360)	(1,359)
YESSS Germany	Related undertaking	Recharges	6	(27)	10	-
YESSS Group (W)	Related undertaking	Recharges	(20)	(10)	(10)	(10)
YESSS Italy	Related undertaking	Purchases	-	-	3	-
YESSS Luxembourg	Related undertaking	Sales	-	-	1	-
YESSS Netherlands	Related undertaking	Sales	-	14	25	11
Directors	Directors	Interest on deferred bonuses	-	-	(6)	(6)

YESSS (A) Electrical Limited and the Company are both wholly owned subsidiaries of Inter Holdings II SARL. The related undertakings are entities which have the same ultimate shareholders as Inter Holdings II SARL being Adam Mackie and Ashley Mackie.