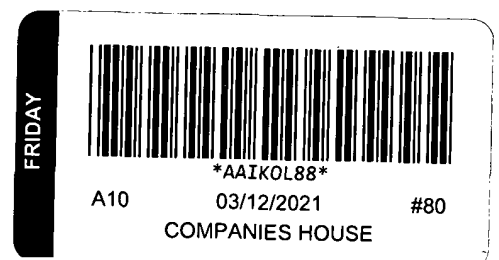


Jackson Family Holdings Limited and Subsidiaries
Financial Statements
31 March 2021



OPASS BILLINGS WILSON & HONEY LLP

Chartered Certified Accountants & statutory auditor

Numeric House
98 Station Road
Sidcup
Kent
DA15 7BY

Jackson Family Holdings Limited and Subsidiaries

Financial Statements

Year ended 31 March 2021

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Jackson Family Holdings Limited and Subsidiaries

Officers and Professional Advisers

The board of directors

G Jackson
M Jackson
J K Jackson

Registered office

Unit 3 - 19
Ropery Business Park
Anchor & Hope Lane
Charlton
England
SE7 7RX

Auditor

Opass Billings Wilson & Honey LLP
Chartered Certified Accountants & statutory auditor
Numeric House
98 Station Road
Sidcup
Kent
DA15 7BY

Bankers

Barclays Bank Plc
1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors

Charles Russell Speechlys
5 Fleet Place
London
EC4M 7RD

Jackson Family Holdings Limited and Subsidiaries

Strategic Report

Year ended 31 March 2021

Jackson Family Holdings Limited is a holding company and is the parent company of a trading group. The company provides management support to the trading subsidiaries. The overall performance of the company is based on the performance of the whole group.

Strategic Management

The objective of the group is to continue to be the UK's largest independent lift, escalator and cradle maintenance organisation.

To achieve this objective the group's strategy is to provide an efficient and quality service to meet customers' needs. The continued success in achieving its goal of customer satisfaction has relied on staff being fully qualified, well trained, motivated, pro-active and given excellent working conditions.

The group considers it vitally important that all persons who are undertaking work for them are qualified and adequately trained to carry out those procedures for which they have been employed. Additionally as part of the commitment to the provision of a quality service it is recognised that a continual improvement process must be encouraged, implemented and maintained.

Business environment

The group is subject to various health and safety risks due to the nature of business. The company is totally committed to achieving the highest level of health and safety provision throughout all areas of the group and aims to work towards achieving a working environment that is free from work-related accidents and ill health. This is regarded as an ongoing process.

The company is fully aware of its environmental responsibilities and has developed its own environmental management system in accordance with the international standards ISO9001:2008.

Jackson Family Holdings Limited and Subsidiaries

Strategic Report *(continued)*

Year ended 31 March 2021

Promotion of the success of the company

The Board recognises its responsibility to have regard to matters set out in Section 172(1) a-f Companies Act 2006 when performing their duty under Section 172.

The Board recognises that Directors of a company must act in a way that they consider to be in good faith, and will be most likely to promote the success of the Group for the benefit of its members as a whole, and in doing so have had regard to the follows:-

a. The likely consequences of any decision in the long term

- The Board is and remains very conscious of the impact of any decisions which could have a long term impact on the Group.

b. The interests of the Group's employees

- The Board recognises the importance of the Group's employees as stakeholders in the organisation, and is very mindful of their interests.

c. The need to foster the Group's business relationships with Suppliers, Customers and Others

- The Board is careful to ensure that the Group's business relationships are with suppliers, customers and others which match the culture of the Group, and the objective is to generate long term, reliable, and mutually beneficial interests.

d. The impact of the Group's operations on the Community and the Environment

- The Board is very conscious of the Group's overarching obligations to the community and the environment, and this thinking flows through all of its operations.

e. The desirability of the Group maintaining a reputation for high standards of business conduct

- The Board ensure that the Group maintains its long tradition of acting within the highest levels of business integrity.

f. The need to act fairly as between members of the Group

- The Board ensures that there is a collegit relationship between members of the Group and that fairness flows through each of the operational transactions.

Business performance

The Board regards the following as the key performance indicators for the group:

1. Gross Profit Percentage 26.81% (2020: 22.81%)

The Gross Profit percentage achieved in 2021 has increased when compared to 2020. The uplift is due to the increase in Major Repair Contracts undertaken during the year which have returned a higher Margin.

2. The ratio of current assets to current liabilities

The ratio of current assets to current liabilities at 31 March 2021 was 2.07 and at 31 March 2020 was 2.12. The board is pleased with this result.

Jackson Family Holdings Limited and Subsidiaries

Strategic Report (continued)

Year ended 31 March 2021

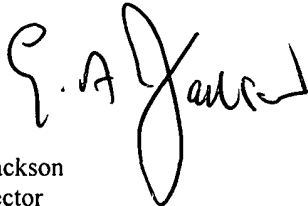
Streamlined Energy and Carbon Reporting (SECR)

	2020		2019	
	KWh	KG CO2e	KWh	KG CO2e
Fuel for the purposes of transport	5,759,828	1,455,969	5,911,001	1,493,533
Electricity usage	351,495	81,948	362,998	92,782
Combustion of gas	122,448	22,598	115,729	21,277
Carbon emissions	6,233,771	1,560,515	6,389,728	1,607,592
Number of employees		525		508
Carbon emissions per employee		2,972		3,164

Emission data is collated by an independent entity for the purposes of ESOS in kWh. The conversion to kg of carbon emitted uses the tables from the Department for Business & Industrial Strategy.

The Groups energy efficiency has been improved by the introduction of "walking" maintenance routes to reduce engineer vehicle use. In addition office fluorescent tube lights have been replaced with LED lighting with PIR systems to reduce energy usage and wastage.

This report was approved by the board of directors on 16/11/2021 and signed on behalf of the board by:


G Jackson
Director

Jackson Family Holdings Limited and Subsidiaries

Directors' Report

Year ended 31 March 2021

The directors present their report and the financial statements of the group for the year ended 31 March 2021.

Directors

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

G Jackson
M Jackson
J K Jackson

Dividends

The directors do not recommend the payment of a dividend.

Future developments

To continue to provide management support to the trading subsidiaries and to implement a policy of planned growth for the group companies.

Employment of disabled persons

The Group is committed to a policy of equal opportunity with regards to its employment practices and procedures. This includes giving full and fair consideration to applications for employment by the group companies made by disabled persons, having regard to their particular aptitudes and abilities.

Disabled persons employed by the Group are provided with suitable training enabling them to develop their career and obtain promotion with the organisation.

Employee involvement

During the period, the policy of providing employees with information about the Group has been continued through internal media methods in which employees have been encouraged to present their suggestions and views on the Group's performance. Regular meeting are held between local management and employees to allow a free flow of information and ideas. Employees participate directly in the success of the business through Group Companies' profit sharing scheme.

Business relationships

The Directors recognise the need to foster the Group's business relationships with suppliers, customers, and others, and this matter is addressed in the Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and the profit or loss of the group for that period.

Jackson Family Holdings Limited and Subsidiaries

Directors' Report *(continued)*

Year ended 31 March 2021

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

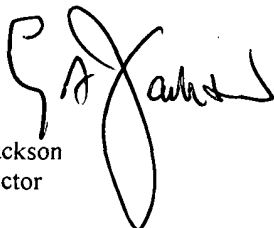
Auditor

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

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

This report was approved by the board of directors on 16/11/2021 and signed on behalf of the board by:

G Jackson
Director



Jackson Family Holdings Limited and Subsidiaries

Independent Auditor's Report to the Members of Jackson Family Holdings Limited and Subsidiaries

Year ended 31 March 2021

Opinion

We have audited the financial statements of Jackson Family Holdings Limited and Subsidiaries (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of income and retained earnings, company statement of income and retained earnings, consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent 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.

Jackson Family Holdings Limited and Subsidiaries

Independent Auditor's Report to the Members of Jackson Family Holdings Limited and Subsidiaries (continued)

Year ended 31 March 2021

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Jackson Family Holdings Limited and Subsidiaries

Independent Auditor's Report to the Members of Jackson Family Holdings Limited and Subsidiaries (continued)

Year ended 31 March 2021

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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We identify and assess the key risk areas of material misstatement and then design and perform audit procedures in relation to those risks. Materiality has been calculated based on the average of the income, profit for the year and gross assets and has been assessed at a level of £424,000

The key risk area was considered to be recognition of income on long term contracts, as there is a high level of judgements and estimations used to calculate the expected income. The appropriate audit approach was considered and applied to this area.

We performed analytical procedures to identify any unusual or unexpected ratios or variances that may indicate risks of material misstatement due to fraud.

We reviewed the financial statement disclosures and assessed compliance with the following relevant laws and regulations;

- Companies Act 2006
- Health and Safety at work Act 1974.
- Data Protection Act 2018.

Irregularities which result from fraud are inherently more difficult to detect than irregularities which result from error. In the past instances of fraud has been encountered by the group, since the instances of fraud were encountered the group has improved systems and controls to reduce the risk of the instances occurring again in the future.

All audit team members were made aware of the relevant laws & regulations applicable to the group companies together with potential fraud risks and remained alert to any indications of fraud non compliance with the laws

Jackson Family Holdings Limited and Subsidiaries

Independent Auditor's Report to the Members of Jackson Family Holdings Limited and Subsidiaries (continued)

Year ended 31 March 2021

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

Jackson Family Holdings Limited and Subsidiaries

Independent Auditor's Report to the Members of Jackson Family Holdings Limited and Subsidiaries *(continued)*

Year ended 31 March 2021

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

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

P B Woodman FCCA, ACA, CTA (Senior Statutory Auditor)

For and on behalf of
Opass Billings Wilson & Honey LLP
Chartered Certified Accountants & statutory auditor
Numeric House
98 Station Road
Sidcup
Kent
DA15 7BY

16 November 2021

Jackson Family Holdings Limited and Subsidiaries

Consolidated Statement of Income and Retained Earnings

Year ended 31 March 2021

		2021	2020
	Note	£	£
Turnover	4	63,444,754	61,475,944
Cost of sales		46,437,168	47,452,282
Gross profit		17,007,586	14,023,662
Administrative expenses		16,859,004	14,361,576
Other operating income	5	787,731	79,844
Operating profit/(loss)	6	936,313	(258,070)
Other interest receivable and similar income	10	93,693	79,845
Interest payable and similar expenses	11	11	11
Profit/(loss) before taxation		1,029,995	(178,236)
Tax on profit/(loss)	12	413,114	619,822
Profit/(loss) for the financial year and total comprehensive income		616,881	(798,058)
Retained losses at the start of the year		(1,572,363)	(774,305)
Retained losses at the end of the year		(955,482)	(1,572,363)

All the activities of the group are from continuing operations.

The notes on pages 17 to 31 form part of these financial statements.

Jackson Family Holdings Limited and Subsidiaries

Company Statement of Income and Retained Earnings

Year ended 31 March 2021

	Note	2021 £	2020 £
Profit/(loss) for the financial year and total comprehensive income		5,179,764	113,851
Retained earnings at the start of the year		<u>465,767</u>	<u>351,916</u>
Retained earnings at the end of the year		<u><u>5,645,531</u></u>	<u><u>465,767</u></u>

The notes on pages 17 to 31 form part of these financial statements.

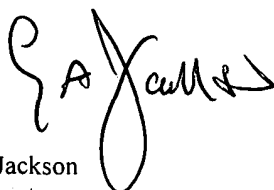
Jackson Family Holdings Limited and Subsidiaries

Consolidated Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	15,725,799	17,810,766
Tangible assets	14	8,017,400	5,015,566
Investments	15	17,637	17,637
		<u>23,760,836</u>	<u>22,843,969</u>
Current assets			
Stocks	16	119,600	86,765
Debtors	17	16,474,096	21,724,168
Cash at bank and in hand		13,221,949	7,703,094
		<u>29,815,645</u>	<u>29,514,027</u>
Creditors: amounts falling due within one year	18	14,408,658	13,900,324
Net current assets		<u>15,406,987</u>	<u>15,613,703</u>
Total assets less current liabilities		<u>39,167,823</u>	<u>38,457,672</u>
Provisions	19	123,305	30,035
Net assets		<u>39,044,518</u>	<u>38,427,637</u>
Capital and reserves			
Called up share capital	23	40,000,000	40,000,000
Profit and loss account		(955,482)	(1,572,363)
Shareholders funds		<u>39,044,518</u>	<u>38,427,637</u>

These financial statements were approved by the board of directors and authorised for issue on 16/11/2021 and are signed on behalf of the board by:


G Jackson
Director

Company registration number: 09519529

The notes on pages 17 to 31 form part of these financial statements.

Jackson Family Holdings Limited and Subsidiaries

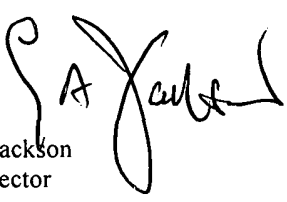
Company Statement of Financial Position

31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	14	3,871,898	1,297,947
Investments	15	40,000,000	40,000,000
		<u>43,871,898</u>	<u>41,297,947</u>
Current assets			
Debtors	17	408,739	3,580
Cash at bank and in hand		2,687,052	524,770
		<u>3,095,791</u>	<u>528,350</u>
Creditors: amounts falling due within one year	18	<u>1,322,158</u>	<u>1,360,530</u>
Net current assets/(liabilities)		<u>1,773,633</u>	<u>(832,180)</u>
Total assets less current liabilities		<u>45,645,531</u>	<u>40,465,767</u>
Net assets		<u>45,645,531</u>	<u>40,465,767</u>
Capital and reserves			
Called up share capital	23	40,000,000	40,000,000
Profit and loss account		5,645,531	465,767
Shareholders funds		<u>45,645,531</u>	<u>40,465,767</u>

The profit for the financial year of the parent company was £5,179,764 (2020: £113,851).

These financial statements were approved by the board of directors and authorised for issue on 16/11/2021 and are signed on behalf of the board by:


G Jackson
Director

Company registration number: 09519529

The notes on pages 17 to 31 form part of these financial statements.

Jackson Family Holdings Limited and Subsidiaries

Consolidated Statement of Cash Flows

Year ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
Profit/(loss) for the financial year	616,881	(798,058)
<i>Adjustments for:</i>		
Depreciation of tangible assets	363,077	328,764
Amortisation of intangible assets	2,084,967	2,084,967
Government grant income	(698,575)	–
Other interest receivable and similar income	(93,693)	(79,845)
Interest payable and similar expenses	11	11
Tax on profit	413,114	619,822
Accrued expenses	130,879	2,039,357
<i>Changes in:</i>		
Stocks	(32,835)	40,001
Trade and other debtors	5,250,072	(2,345,496)
Trade and other creditors	903,187	(187,573)
Cash generated from operations	8,937,085	1,701,950
Interest paid	(11)	(11)
Interest received	93,693	79,793
Tax paid	(845,576)	(43,424)
Net cash from operating activities	<u>8,185,191</u>	<u>1,738,308</u>
Cash flows from investing activities		
Purchase of tangible assets	(3,364,911)	(718,943)
Net cash used in investing activities	<u>(3,364,911)</u>	<u>(718,943)</u>
Cash flows from financing activities		
Government grant income	698,575	–
Net cash from financing activities	<u>698,575</u>	<u>–</u>
Net increase in cash and cash equivalents	5,518,855	1,019,365
Cash and cash equivalents at beginning of year	7,703,094	6,683,729
Cash and cash equivalents at end of year	<u>13,221,949</u>	<u>7,703,094</u>

The notes on pages 17 to 31 form part of these financial statements.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements

Year ended 31 March 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 3 - 19, Ropery Business Park, Anchor & Hope Lane, Charlton, SE7 7RX, England.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Going concern

The impact of Covid-19 on the group has been minimal, the group was able to continue to trade throughout the accounting period. The current level of orders remain healthy and the directors are confident that the level of activity will continue. Therefore, there are no significant doubts upon the group's ability to continue as a going concern.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The financial statements consolidate the financial statements of Jackson Family Holdings Limited and Subsidiaries and all of its subsidiary undertakings.

The results of subsidiaries acquired or disposed of during the year are included from or to the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Repair contracts

The key source of estimation uncertainty is revenue recognition on costs incurred on repair contracts that are live at the balance sheet date and are completed post year end. It is the company's policy to recognise revenue equal to costs incurred due to the final results are unknown until the contracts are completed.

The carrying amounts of the estimated contract values as at 31st March 2021 are amounts recoverable on contracts £399,518.

Large repair/modernisation contracts

Profits on larger repair contracts are accrued evenly over the life of the contract. There are two estimated factors that are used in calculating the carrying amounts, being an estimated budgeted gross profit percentage and the estimated percentage of completion.

The carrying amounts of the estimated contract values as at 31st March 2021 are amounts recoverable on contracts £64,277, contract creditors (£95,610) and payments received on account (£7,195).

Major repair contracts

Profits on major repair contracts are accrued evenly over the life of the contract. There are two estimated factors that are used in calculating the carrying amounts, being an estimated budgeted gross profit percentage and the estimated percentage of completion.

The carrying amounts of the estimated contract values as at 31st March 2021 are amounts recoverable on contracts £675,098, contract creditors (£988,847) and payments received on account (£1,631,004).

Long term contracts

The key source of estimation uncertainty is revenue recognition on long term contracts. Profits on long term contracts are accrued evenly over the life of the contract. There are two estimated factors that are used in calculating the carrying amounts, being an estimated budgeted gross profit percentage and the estimated percentage of completion.

The carrying amounts of the estimated contract values as at 31st March 2021 are amounts recoverable on contracts £2,662,908, contract liabilities (£1,462,397) and payments received on account (£1,662,367).

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

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

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 10 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	- 20% reducing balance
Fixtures and fittings	- 10% reducing balance and 3 years straight line
Equipment	- 10% reducing balance and 3 years straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

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

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Construction contracts

Where the outcome of construction contracts can be reliably estimated, contract revenue and contract costs are recognised by reference to the stage of completion of the contract activity as at the period end.

Where the outcome of construction contracts cannot be estimated reliably, revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised as an expense in the period in which they are incurred.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

3. Accounting policies *(continued)*

Construction contracts *(continued)*

The entity uses the percentage of completion method to determine the amounts to be recognised in the period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred for work performed to date do not include costs relating to future activity, such as for materials or prepayments.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

3. Accounting policies (continued)

Financial instruments (continued)

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021	2020
	£	£
Rendering of services	50,304,695	47,432,408
Construction contracts	13,140,059	14,043,536
	<u>63,444,754</u>	<u>61,475,944</u>

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

5. Other operating income

	2021	2020
	£	£
Government grant income	698,575	–
Other operating income	89,156	79,844
	<u>787,731</u>	<u>79,844</u>

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Amortisation of intangible assets	2,084,967	2,084,967
Depreciation of tangible assets	363,077	328,764
Impairment of trade debtors	770,584	93,031
Foreign exchange differences	61,771	(25,389)
	<u>2,280,399</u>	<u>2,581,373</u>

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	<u>3,750</u>	<u>2,500</u>
Fees payable to the company's auditor and its associates for other services:		
Audit of the financial statements of associates	27,000	26,000
Other non-audit services	19,589	13,790
	<u>46,589</u>	<u>39,790</u>

8. Staff costs

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

	2021	2020
	No.	No.
Production staff	414	396
Administrative staff	106	102
Management staff	5	5
	<u>525</u>	<u>503</u>

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

	2021	2020
	£	£
Wages and salaries	24,805,150	22,953,036
Social security costs	2,750,721	2,581,066
Other pension costs	606,541	463,138
	<u>28,162,412</u>	<u>25,997,240</u>

9. Directors' remuneration

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

	2021	2020
	£	£
Remuneration	1,517,249	1,635,589
Company contributions to defined contribution pension plans	146,580	84,753
	<u>1,663,829</u>	<u>1,720,342</u>

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

9. Directors' remuneration (continued)

The number of directors who accrued benefits under company pension plans was as follows:

	2021 No.	2020 No.
Defined contribution plans	<u>5</u>	<u>5</u>

Remuneration of the highest paid director in respect of qualifying services:

	2021 £	2020 £
Aggregate remuneration	<u>586,334</u>	<u>577,267</u>

10. Other interest receivable and similar income

	2021 £	2020 £
Interest on cash and cash equivalents	83,764	78,842
Interest on bank deposits	9,870	951
Corporation tax interest receivable	17	—
Other interest receivable and similar income	42	52
	<u>93,693</u>	<u>79,845</u>

11. Interest payable and similar expenses

	2021 £	2020 £
Interest on banks loans and overdrafts	<u>11</u>	<u>11</u>

12. Tax on profit

Major components of tax expense

	2021 £	2020 £
Current tax:		
UK current tax expense	319,844	617,534
Adjustments in respect of prior periods	—	(5,410)
Total current tax	<u>319,844</u>	<u>612,124</u>
Deferred tax:		
Origination and reversal of timing differences	93,270	7,698
Tax on profit	<u>413,114</u>	<u>619,822</u>

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

12. Tax on profit *(continued)*

Reconciliation of tax expense

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

	2021 £	2020 £
Profit/(loss) on ordinary activities before taxation	1,029,995	(178,236)
Profit/(loss) on ordinary activities by rate of tax	195,699	(33,865)
Adjustment to tax charge in respect of prior periods	–	(5,410)
Effect of expenses not deductible for tax purposes	(178,728)	267,532
Effect of capital allowances and depreciation	302,873	383,867
Effect of deferred taxation	93,270	7,698
Tax on profit	413,114	619,822

13. Intangible assets

Group	Goodwill £
Cost	
At 1 April 2020 and 31 March 2021	20,849,677
Amortisation	
At 1 April 2020	3,038,911
Charge for the year	2,084,967
At 31 March 2021	5,123,878
Carrying amount	
At 31 March 2021	15,725,799
At 31 March 2020	17,810,766

The company has no intangible assets.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

14. Tangible assets

Group	Freehold property £	Long leasehold property £	Plant and machinery £	Fixtures and fittings £	Equipment £	Total £
Cost						
At 1 Apr 2020	1,709,252	2,798,143	1,784	94,834	800,757	5,404,770
Additions	2,573,951	–	–	34,709	756,251	3,364,911
At 31 Mar 2021	4,283,203	2,798,143	1,784	129,543	1,557,008	8,769,681
Depreciation						
At 1 Apr 2020	–	–	1,784	12,353	375,067	389,204
Charge for the year	–	–	–	10,058	353,019	363,077
At 31 Mar 2021	–	–	1,784	22,411	728,086	752,281
Carrying amount						
At 31 Mar 2021	4,283,203	2,798,143	–	107,132	828,922	8,017,400
At 31 Mar 2020	1,709,252	2,798,143	–	82,481	425,690	5,015,566
Company						Freehold property £
Cost						
At 1 April 2020						1,297,947
Additions						2,573,951
At 31 March 2021						3,871,898
Depreciation						
At 1 April 2020 and 31 March 2021						–
Carrying amount						
At 31 March 2021						3,871,898
At 31 March 2020						1,297,947

15. Investments

Group	Other investments other than loans £
Cost	
At 1 April 2020 and 31 March 2021	17,637
Impairment	
At 1 April 2020 and 31 March 2021	–

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

15. Investments (continued)

Group	Other investments other than loans £
Carrying amount	
At 1 April 2020 and 31 March 2021	17,637
At 31 March 2020	17,637
Company	Shares in group undertakings £
Cost	
At 1 April 2020 and 31 March 2021	40,000,000
Impairment	
At 1 April 2020 and 31 March 2021	—
Carrying amount	
At 1 April 2020 and 31 March 2021	40,000,000
At 31 March 2020	40,000,000

Subsidiaries, associates and other investments

Details of the investments in which the group and the parent company have an interest of 20% or more are as follows:

Subsidiary undertakings	Class of share	Percentage of shares held
Jackson Lift Services Limited	Ordinary	100

16. Stocks

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Raw materials and consumables	119,600	86,765	—	—

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

17. Debtors

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	10,350,766	15,175,504	–	–
Amounts owed by customers on construction contracts	3,801,801	4,115,318	–	–
Prepayments and accrued income	336,202	362,617	339	341
Other debtors	1,985,327	2,070,729	408,400	3,239
	<u>16,474,096</u>	<u>21,724,168</u>	<u>408,739</u>	<u>3,580</u>

18. Creditors: amounts falling due within one year

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Payments received on account	4,244,816	3,792,207	–	–
Trade creditors	4,020,428	4,229,353	–	264
Amounts owed to group undertakings	–	–	962,075	981,179
Accruals and deferred income	3,162,047	3,031,168	274,218	259,795
Corporation tax	91,761	617,493	42,084	27,054
Social security and other taxes	2,769,921	2,130,342	37,273	92,238
Other creditors	119,685	99,761	6,508	–
	<u>14,408,658</u>	<u>13,900,324</u>	<u>1,322,158</u>	<u>1,360,530</u>

19. Provisions

Group	Deferred tax (note 20) £
At 1 April 2020	30,035
Additions	93,270
At 31 March 2021	<u>123,305</u>

The company does not have any provisions.

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements (continued)

Year ended 31 March 2021

20. Deferred tax

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Included in provisions (note 19)	<u>123,305</u>	<u>30,035</u>	<u>—</u>	<u>—</u>

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Accelerated capital allowances	123,657	30,374	—	—
Accelerated depreciation charges	(352)	(339)	—	—
	<u>123,305</u>	<u>30,035</u>	<u>—</u>	<u>—</u>

21. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £460,051 (2020: £382,887).

22. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	<u>698,575</u>	<u>—</u>	<u>39,284</u>	<u>—</u>

23. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary shares of £1 each	<u>40,000,000</u>	<u>40,000,000</u>	<u>40,000,000</u>	<u>40,000,000</u>

24. Analysis of changes in net debt

	At 1 Apr 2020	Cash flows	At 31 Mar 2021
	£	£	£
Cash at bank and in hand	<u>7,703,094</u>	<u>5,518,855</u>	<u>13,221,949</u>

Jackson Family Holdings Limited and Subsidiaries

Notes to the Financial Statements *(continued)*

Year ended 31 March 2021

25. Operating leases

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Not later than 1 year	1,145,995	1,085,392	—	—
Later than 1 year and not later than 5 years	1,309,680	1,830,923	—	—
	<u>2,455,675</u>	<u>2,916,315</u>	<u>—</u>	<u>—</u>