

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

Company Registration No. 10950621 (England and Wales)

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

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PALMERS SCAFFOLDING (NORTH WEST) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	5		696,999		710,929
Current assets					
Debtors	6	77,365		75,126	
Cash at bank and in hand		12		44,677	
		<u>77,377</u>		<u>119,803</u>	
Creditors: amounts falling due within one year	7	<u>(305,183)</u>		<u>(575,102)</u>	
Net current liabilities			<u>(227,806)</u>		<u>(455,299)</u>
Net assets			<u>469,193</u>		<u>255,630</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			<u>469,093</u>		<u>255,530</u>
Total equity			<u>469,193</u>		<u>255,630</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 26 September 2022 and are signed on its behalf by:

Mr M T Carr
Director

Company Registration No. 10950621

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 1 January 2020	100	716,107	716,207
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(460,577)	(460,577)
Balance at 31 December 2020	100	255,530	255,630
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	213,563	213,563
Balance at 31 December 2021	100	469,093	469,193

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Palmers Scaffolding (North West) Limited is a private company limited by shares incorporated in England and Wales. The registered office is International House, Aviation Park, Saltney Ferry, Chester, CH4 0GZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

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

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

1.2 Going concern

The company reported a profit for the year of £213,563. As at 31 December 2021 the company had net current liabilities of £227,806 and net assets of £469,193. The company owed £79,319 to group undertakings and has received confirmation that those debts will not be called which would prevent the company being able to meet its other liabilities as they fall due.

The directors have reviewed group forecasts prepared by management and are confident that the company will be able to continue to meet its liabilities as they fall due. On this basis the directors have prepared the financial statements on a going concern basis.

1.3 Turnover

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

Revenue from contracts for the provision of services is recognised in the period that the services are delivered in accordance with the stage of completion of the contract when, costs incurred and costs to complete can be estimated reliably.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

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

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

Plant and machinery	1 - 5 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any.

1.6 Cash and cash equivalents

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

1.7 Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities.

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.8 Equity instruments

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

1.9 Employee benefits

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

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

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

1.10 Retirement benefits

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

1.11 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

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

In preparing these financial statements the directors have had to make the following judgements.

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending upon a number of factors such as technological innovation, product lifecycles and maintenance programmes. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

3 Turnover

All turnover arose within the United Kingdom.

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was 1 (2020: 1).

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2021	1,345,656
Additions	228,042
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At 31 December 2021	1,573,698
	<hr/>
Depreciation and impairment	
At 1 January 2021	634,727
Depreciation charged in the year	241,972
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At 31 December 2021	876,699
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Carrying amount	
At 31 December 2021	696,999
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At 31 December 2020	710,929
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6 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	40,090	-
Amounts owed by group undertakings	37,275	43,500
Other debtors	-	31,626
	<hr/>	<hr/>
	77,365	75,126
	<hr/>	<hr/>

7 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	197,314	282,366
Amounts owed to group undertakings	79,319	239,042
Taxation and social security	15,388	-
Other creditors	13,162	53,694
	<hr/>	<hr/>
	305,183	575,102
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PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was qualified and the auditor reported as follows:

Qualified opinion

We have audited the financial statements of Palmers Scaffolding (North West) Limited (the 'company') for the year ended 31 December 2021 which comprise , the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the effects of the matter described in the Basis for qualified opinion paragraph, the financial statements:

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

Basis for qualified opinion

With respect to fixed assets with a carrying value of £696,999 included in the balance sheet, the audit evidence available to us was limited because we were unable to determine the existence and valuation of fixed assets held by the company as the assets were split across multiple locations and verifying the existence and performing valuations of these assets was determine to be impractical. Owing to the nature of the company's records we were unable to obtain sufficient appropriate audit evidence regarding the existence and valuation of these fixed assets by using other audit procedures. We are therefore unable to determine whether adjustments to the profit for the year and fixed assets might be necessary.

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

Senior Statutory Auditor:	Iain White BSc FCA
Statutory Auditor:	DSG

9 Financial commitments, guarantees and contingent liabilities

The company is party to a group debenture dated 23 March 2021 in favour of the bank in respect of a CBILS loan provided to a fellow subsidiary.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Related party transactions

The company has taken advantage of the exemption under the terms of Financial Reporting Standards 102 'The Financial Reporting Standards applicable in the UK and Republic of Ireland' not to disclose related party transactions with wholly owned subsidiaries within the group.

During the period the company incurred rental charges totalling £91,232 (2020: £81,440) from related parties with common director / member. The amount due to the related parties as at 31 December 2021 was £32,674 (2020: £8,144).

11 Parent company and ultimate controlling party

The ultimate controlling party is Mr C C Butt.

The company is a wholly owned subsidiary of Innovative Scaffold Services Limited, a company incorporated in England and Wales with a registered office of International House, Flint Road, Saltney Ferry, Chester, CH4 0GZ.

Innovative Scaffold Services Limited prepares consolidated financial statements which incorporate the results of the company. This is both the smallest and largest group for which consolidated financial statements are drawn up of which the company is a member.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.