

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Company Registration No. 10950621 (England and Wales)

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

COMPANY INFORMATION

Directors	Mr C C Butt Mr M T Carr	(Appointed 7 December 2021)
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Company number	10950621
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Registered office	Business Aviation Centre Aviation Park Saltney Ferry Chester CH4 0GZ
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Auditor	DSG Castle Chambers 43 Castle Street Liverpool L2 9TL
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PALMERS SCAFFOLDING (NORTH WEST) LIMITED

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PALMERS SCAFFOLDING (NORTH WEST) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

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

Principal activities

The principal activity of the company continued to be that of the hire of scaffolding equipment.

Results and dividends

The results for the year are set out on page 8.

Principal risks and uncertainties

The company continued to be subject to the effects of the Covid 19 pandemic. Whilst in some locations there was a requirement for the services of Palmers to continue, there were others where the activity was significantly curtailed. The company's main customer is its sister company – Palmers Scaffolding UK Limited (Palmers) therefore this paragraph is written in reference to its main customer.

With the introduction of the vaccine programme and the successful implementation of social distancing there was a significant improvement in the business activity in the marketplace in which Palmers operates. In some situations, it "business as usual", but in other locations, particularly the airport sector, in which Palmers is heavily involved, the activity remained particularly suppressed.

The management team have continued to monitor this situation and have identified other sectors of the marketplace where they could operate as a viable alternative to those which remained subdued.

Activity in 2020 and 2021 has picked up to some degree and there are signs of further increased activity throughout 2021 and 2022. Palmers is fully up to date with liabilities due to HMRC in respect of PAYE and VAT and has not had to negotiate any payment holidays in relation to 2020 liabilities.

The company secured a Coronavirus Business Interruption Loan Scheme (CBILS) and has managed to maintain a significant balance from that throughout the year.

The CBILS loan was supplemented by additional funds from the owner and these funds will not be recalled for the foreseeable future.

Palmers has completed forecasts including stress testing to assess the impact of COVID on the company and the company's liquidity and ability to continue as a going concern. Under this scenario the group still has significant cash headroom which would allow for further external factors to impact the wider group and still enable it to discharge its liabilities as they become due. A reverse stress test is not considered appropriate given the headroom in place. Significant improvement has been made in the Management and collection of the debtor book and this will continue. The directors continue to monitor this situation closely.

The company itself is reliant upon Palmers as its main customer. The company has minimal cash outflows or debt. It is bound to Palmers under a cross guarantee with the rest of the group under the CBILS loan arrangement, hence a letter of support remains in place.

Based on the above, the director is confident that the actions and strategies in place, results in the company being able to mitigate business threats as they arise.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Going concern

The director considered the preparation of the financial statements on a going concern basis to be appropriate based on support from group companies. The director therefore considers the company to be a going concern for a period of at least 12 months from the approval of these financial statements.

Management and the director have assessed the company's liability to be able to continue as a going concern and it is in their opinion that the banking facilities are appropriate. Considering this, the going concern basis of preparation is deemed appropriate.

On the basis of their assessment of the company's financial position, the director has a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future.

Directors

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

Mr C C Butt

Mr M T Carr

Mr D Morrison

(Appointed 7 December 2021)

(Appointed 8 January 2020 and resigned 31 January 2021)

Auditor

On 8 June 2021 BDO LLP resigned as auditors and DSG were appointed in their place. In accordance with the company's articles, a resolution proposing that DSG be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr M T Carr

Director

20 December 2021

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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). 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 judgements and accounting estimates that are reasonable and prudent;
- 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.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF PALMERS SCAFFOLDING (NORTH WEST) LIMITED

Qualified opinion

We have audited the financial statements of Palmers Scaffolding (North West) Limited (the 'company') for the year ended 31 December 2020 which comprise the statement of comprehensive income, 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 FRS 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 2020 and of its loss 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

We were not appointed auditors of the company until after 31 December 2020 and thus did not observe the counting of physical plant and machinery fixed assets at the end of the year. We were unable to satisfy ourselves by alternative means concerning the existence and valuation of the fixed assets at 31 December 2020, which are included in the balance sheet at £710,929, by using other audit procedures. Consequently we were unable to determine whether any adjustment to this amount was 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 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.

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.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PALMERS SCAFFOLDING (NORTH WEST) LIMITED

As described in the Basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the existence and valuation of fixed assets held at 31 December 2020. We have concluded that where the information refers to the fixed assets balance it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the Basis of qualified opinion section of our report, in our opinion, based on the work undertaken in the course of our audit:

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

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to fixed assets, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

Except for the possible effects of the matter described in the Basis of qualified opinion section of our report, 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 material misstatements in the directors' report.

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

- 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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

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.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PALMERS SCAFFOLDING (NORTH WEST) LIMITED

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.

Capability of the audit in detecting irregularities, including fraud

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity. The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include environmental regulations, health and safety legislation, trades description act and employment legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; reviewing post year end payments for evidence of claims pay outs and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF PALMERS SCAFFOLDING (NORTH WEST) LIMITED

Use of our report

This report is made solely to the company's member 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 member those matters we are required to state to the member 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 member for our audit work, for this report, or for the opinions we have formed.

Iain White BSc FCA (Senior Statutory Auditor)
For and on behalf of DSG

20 December 2021

Chartered Accountants
Statutory Auditor

Castle Chambers
43 Castle Street
Liverpool
L2 9TL

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

		Year ended 31 December 2020 £	Period ended 31 December 2019 £
	Notes		
Turnover	3	350,238	1,012,179
Cost of sales		(614,547)	(651,276)
Gross (loss)/profit		(264,309)	360,903
Administrative expenses		(200,427)	(208,611)
Other operating income		4,159	29,149
(Loss)/profit before taxation		(460,577)	181,441
Tax on (loss)/profit	5	-	74,815
(Loss)/profit for the financial year		(460,577)	256,256

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	6		710,929		472,713
Current assets					
Debtors	7	75,126		493,897	
Cash at bank and in hand		44,677		9,869	
		<u>119,803</u>		<u>503,766</u>	
Creditors: amounts falling due within one year	8	<u>(575,102)</u>		<u>(260,272)</u>	
Net current (liabilities)/assets			<u>(455,299)</u>		<u>243,494</u>
Net assets			<u>255,630</u>		<u>716,207</u>
Capital and reserves					
Called up share capital			100		100
Profit and loss reserves			<u>255,530</u>		<u>716,107</u>
Total equity			<u>255,630</u>		<u>716,207</u>

These financial statements have been prepared 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 20 December 2021 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 2020

	Share capital	Profit and loss reserves	Total
	£	£	£
Balance at 30 September 2018	100	459,851	459,951
Period ended 31 December 2019:			
Profit and total comprehensive income for the period	-	256,256	256,256
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2019	100	716,107	716,207
Year ended 31 December 2020:			
Loss and total comprehensive income for the year	-	(460,577)	(460,577)
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2020	100	255,530	255,630
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PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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 Business Aviation Centre, 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 loss for the year of £460,577. As at 31 December 2020 the company had net current liabilities of £455,299 and net assets of £255,630. The company owed £239,042 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 which incorporate the potential ongoing impact of the Covid pandemic 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 Reporting period

The current period covers the year ended 31 December 2020.

The comparative period covers the period from 30 September 2018 to 31 December 2019 when the accounting period was extended to match that of its parent company.

1.4 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 2020

1 Accounting policies

(Continued)

1.5 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.

1.6 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).

1.7 Cash and cash equivalents

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

1.8 Financial instruments

The company 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 2020

1 Accounting policies

(Continued)

1.9 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.

1.10 Taxation

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

Current tax

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

Deferred tax

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

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

1.11 Employee benefits

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

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

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

1.12 Retirement benefits

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

1.13 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.

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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 (2019: 4).

5 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(55,133)
	=====	=====
Deferred tax		
Origination and reversal of timing differences	-	(19,682)
	=====	=====
Total tax charge/(credit)	-	(74,815)
	=====	=====

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Tangible fixed assets

	Plant and machinery etc
	£
Cost	
At 1 January 2020	774,634
Additions	571,210
Disposals	(188)
	<hr/>
At 31 December 2020	1,345,656
	<hr/>
Depreciation and impairment	
At 1 January 2020	301,921
Depreciation charged in the year	332,994
Eliminated in respect of disposals	(188)
	<hr/>
At 31 December 2020	634,727
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Carrying amount	
At 31 December 2020	710,929
	<hr/> <hr/>
At 31 December 2019	472,713
	<hr/> <hr/>

7 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Amounts owed by group undertakings	43,500	483,547
Other debtors	31,626	10,350
	<hr/>	<hr/>
	75,126	493,897
	<hr/> <hr/>	<hr/> <hr/>

8 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	282,366	172,735
Amounts owed to group undertakings	239,042	76,456
Taxation and social security	-	1,675
Other creditors	53,694	9,406
	<hr/>	<hr/>
	575,102	260,272
	<hr/> <hr/>	<hr/> <hr/>

PALMERS SCAFFOLDING (NORTH WEST) LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

9 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 £81,440 (2019: £81,440) from related parties with common director / member. The amount due to the related parties as at 31 December 2020 was £8,144 (2019: £74,053).

10 Parent company and ultimate controlling party

The ultimate controlling party is Mr C C Buff.

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.