

REGISTERED NUMBER: 11620089 (England and Wales)

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31st December 2020
for
Barrie Beard Holdings Limited**



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for the Year Ended 31st December 2020**

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Barrie Beard Holdings Limited
Company Information
for the Year Ended 31st December 2020

DIRECTORS:

Mrs J Beard
W M Beard
R W Beard
L B Beard

REGISTERED OFFICE:

Worcester Road
Upton Warren
Bromsgrove
Worcestershire
B61 7ET

REGISTERED NUMBER:

11620089 (England and Wales)

AUDITORS:

Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

**Group Strategic Report
for the Year Ended 31st December 2020**

The directors present their strategic report of the company and the group for the year ended 31st December 2020.

In preparing the consolidated financial statements of the group, merger accounting has been applied.

REVIEW OF BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

The group's principal activities during the year have remained unchanged.

We consider that our key finance performance indicators are those that communicate the financial performance and strength of the group as a whole, these being turnover, gross margin and return on equity.

The turnover of the group relates to the principal activity. The turnover, when compared to the previous year decreased by 41.22%.

The fall in turnover is solely due to the impact of the Coronavirus pandemic.

The gross profit for the year amounted to £1,03,089 compared to £3,300,592 in the previous year. This represents a gross margin of 12.5% as compared with 23.5% for the previous year.

There was an operating profit for the year of £610,859, compared to £1,550,370 in the previous year.

PRINCIPAL RISKS AND UNCERTAINTIES

The Coronavirus pandemic caused a lot of market uncertainty at the start of 2020, but the group over many years of successful trading has built a stable client base to get through these unprecedented times. The volume of work has significantly increased towards the end of 2020 and we have a significant order book throughout 2021. We as a group are confident that we will continue to grow and be as successful as we have been in the past.

IMPORTANT EVENTS OCCURRING SINCE THE YEAR END

The Coronavirus pandemic has remained a concern into 2021. With the recent easing of restrictions and increasing numbers of self isolation cases, we remain cautious in our approach and continue to follow Government guidelines.

RESEARCH AND DEVELOPMENT ACTIVITIES

Technology is transforming the way that buildings and infrastructure are designed, constructed and operated. It is helping to improve decision making and performance across collaborative partnerships. Barrie Beard Ltd have a dedicated in-house design team using BIM, AUTOCAD, HEVACOMP & AMTECH.

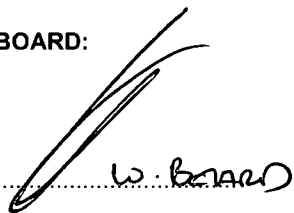
BIM facilitates collaborative project delivery, generating opportunities for model data and project information to be modified, shared and managed throughout a project's entirety. BIM (Building Information Modelling) is an intelligent 3D model-based process that gives architecture, engineering and construction the insight and tools to more efficiently plan, design, construct and manage buildings and infrastructure.

With the high level of analytical thinking, BIM enables Barrie Beard Ltd the ability to problem solve quickly & effectively. BIM enables us to speedily evaluate alternative solutions to create a positive impact on projects to ensure a successful completion.

BIM enables the client to experience an in-depth visualisation experience into Structural, Mechanical, Electrical and Plumbing design.

ON BEHALF OF THE BOARD:

Director



Date:

25/8/2021

**Report of the Directors
for the Year Ended 31st December 2020**

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2020.

PRINCIPAL ACTIVITY

The principal activity of the group in the year under review was that of electrical contractor.

DIVIDENDS

The total distribution of dividends for the period ended 31st December 2020 will be £252,512.

The directors recommend that no final dividends be paid.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2020 to the date of this report.

Mrs J Beard
W M Beard
R W Beard
L B Beard

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has made qualifying third party indemnity provisions for the benefit of the directors and these provisions remain in form at the reporting date.

DISCLOSURE IN THE STRATEGIC REPORT

Disclosure of important events occurring since the year end and research and development activities has been included within the Group Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors 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 the group and of the profit or loss of the group 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Report of the Directors
for the Year Ended 31st December 2020**

AUDITORS

The auditors, Richards Sandy Audit Services Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

.....
W M Beard - Director

Date: 25/8/2021

**Report of the Independent Auditors to the Members of
Barrie Beard Holdings Limited**

Opinion

We have audited the financial statements of Barrie Beard Holdings Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31st December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, 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 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 the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31st December 2020 and of the group's 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 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 Auditors' 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 and 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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors 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 Group Strategic Report or the Report of the Directors.

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:

- 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.

**Report of the Independent Auditors to the Members of
Barrie Beard Holdings Limited**

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, 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 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.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, we have:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework; and
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are Companies Act 2006, the International Financial Reporting Standards (IFRSs) as adopted by the European Union, and laws and regulations relating to tax compliance, specifically corporation tax, and VAT. We performed audit procedures to detect non-compliance's which may have a material impact on the financial statements, which included reviewing the financial statement disclosures.

The audit engagement team identified the risk of management override of controls and valuation of revenue cut off, specifically management's calculation of amounts recoverable on contracts as the areas most susceptible to material misstatement due to fraud.

This calculation is the key source of estimation uncertainty of the financial statements, as it is difficult to predict with accuracy the future trading results (including the effects of any material future unforeseen events) of contracts. Audit procedures performed included, but were not limited to, reviewing management's projected forecasts of the future trading results for each contract, including comparing these forecasts to past trading results and making enquiries of management.

The extent to which our procedures are capable of detecting irregularities, including fraud, is limited to reviewing a sample of transactions undertaken by the companies within the group. Noting that all group companies have been audited independently by Richards Sandy Audit Services Ltd.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
Barrie Beard Holdings Limited**

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 a Report of the Auditors 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.



Mr Robert Iestyn Richards FCCA (Senior Statutory Auditor)
for and on behalf of Richards Sandy Audit Services Limited
(Statutory Auditor)
Thorneloe House
25 Barbourne Road
Worcester
WR1 1RU

Date: 8/9/2021

Consolidated Statement of Comprehensive Income
for the Year Ended 31st December 2020

	Notes	2020 £	2019 £
TURNOVER	4	8,254,906	14,042,875
Cost of sales		7,223,817	10,742,283
GROSS PROFIT		1,031,089	3,300,592
Administrative expenses		1,366,486	1,750,222
		(335,397)	1,550,370
Other operating income		946,256	-
OPERATING PROFIT	7	610,859	1,550,370
Interest receivable and similar income		13,264	30,223
		624,123	1,580,593
Interest payable and similar expenses	8	31	-
PROFIT BEFORE TAXATION		624,092	1,580,593
Tax on profit	9	(153,052)	331,431
PROFIT FOR THE FINANCIAL YEAR		777,144	1,249,162
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		777,144	1,249,162
Profit attributable to: Owners of the parent		777,144	1,249,162
Total comprehensive income attributable to: Owners of the parent		777,144	1,249,162

Consolidated Balance Sheet
31st December 2020

		2020	2019
	Notes	£	£
FIXED ASSETS			
Tangible assets	12	2,396,447	2,417,507
Investments	13	-	-
		<u>2,396,447</u>	<u>2,417,507</u>
CURRENT ASSETS			
Stocks	14	224,911	217,920
Debtors	15	2,055,117	3,501,782
Cash at bank and in hand		3,932,377	3,356,115
		<u>6,212,405</u>	<u>7,075,817</u>
CREDITORS			
Amounts falling due within one year	16	1,576,748	2,933,766
NET CURRENT ASSETS		<u>4,635,657</u>	<u>4,142,051</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>7,032,104</u>	<u>6,559,558</u>
PROVISIONS FOR LIABILITIES	19	24,780	76,866
NET ASSETS		<u>7,007,324</u>	<u>6,482,692</u>
CAPITAL AND RESERVES			
Called up share capital	20	100	100
Retained earnings	21	7,007,224	6,482,592
SHAREHOLDERS' FUNDS		<u>7,007,324</u>	<u>6,482,692</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25 AUGUST 2021 and were signed on its behalf by:

.....
R W Beard - Director

.....
R W Beard - Director

W. Beard "

Company Balance Sheet
31st December 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	-	-
Investments	13	101	101
		<u>101</u>	<u>101</u>
CURRENT ASSETS			
Debtors	15	255	999,969
Cash at bank		2,007,912	1,000,000
		<u>2,008,167</u>	<u>1,999,969</u>
CREDITORS			
Amounts falling due within one year	16	6,120	901
		<u>6,120</u>	<u>901</u>
NET CURRENT ASSETS		<u>2,002,047</u>	<u>1,999,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,002,148</u>	<u>1,999,169</u>
CAPITAL AND RESERVES			
Called up share capital	20	100	100
Retained earnings	21	2,002,048	1,999,069
		<u>2,002,148</u>	<u>1,999,169</u>
SHAREHOLDERS' FUNDS		<u>2,002,148</u>	<u>1,999,169</u>
Company's profit for the financial year		<u>255,491</u>	<u>2,550,581</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25 August 2021 and were signed on its behalf by:

R W Beard - Director

W M Beard - Director

**Consolidated Statement of Changes in Equity
for the Year Ended 31st December 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1st January 2019	100	5,784,942	5,785,042
Changes in equity			
Dividends	-	(551,512)	(551,512)
Total comprehensive income	-	1,249,162	1,249,162
Balance at 31st December 2019	<u>100</u>	<u>6,482,592</u>	<u>6,482,692</u>
Changes in equity			
Dividends	-	(252,512)	(252,512)
Total comprehensive income	-	777,144	777,144
Balance at 31st December 2020	<u>100</u>	<u>7,007,224</u>	<u>7,007,324</u>

**Company Statement of Changes in Equity
for the Year Ended 31st December 2020**

	Called up share capital £	Retained earnings £	Total equity £
Changes in equity			
Issue of share capital	100	-	100
Dividends	-	(551,512)	(551,512)
Total comprehensive income	-	2,550,581	2,550,581
Balance at 31st December 2019	<u>100</u>	<u>1,999,069</u>	<u>1,999,169</u>
Changes in equity			
Dividends	-	(252,512)	(252,512)
Total comprehensive income	-	255,491	255,491
Balance at 31st December 2020	<u>100</u>	<u>2,002,048</u>	<u>2,002,148</u>

**Consolidated Cash Flow Statement
for the Year Ended 31st December 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,333,456	2,014,104
Interest paid		(31)	-
Tax paid		(413,316)	(81,060)
Net cash from operating activities		<u>920,109</u>	<u>1,933,044</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(99,779)	(1,781,290)
Sale of tangible fixed assets		2,433	3,877
Interest received		13,264	30,223
Net cash from investing activities		<u>(84,082)</u>	<u>(1,747,190)</u>
Cash flows from financing activities			
Equity dividends paid		(252,512)	(551,512)
Net cash from financing activities		<u>(252,512)</u>	<u>(551,512)</u>
Increase/(decrease) in cash and cash equivalents		<u>583,515</u>	<u>(365,658)</u>
Cash and cash equivalents at beginning of year	2	<u>3,348,855</u>	<u>3,714,513</u>
Cash and cash equivalents at end of year	2	<u><u>3,932,370</u></u>	<u><u>3,348,855</u></u>

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31st December 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020 £	2019 £
Profit before taxation	624,092	1,580,593
Depreciation charges	117,637	111,764
Loss on disposal of fixed assets	770	413
Finance costs	31	-
Finance income	(13,264)	(30,223)
	<u>729,266</u>	<u>1,662,547</u>
(Increase)/decrease in stocks	(6,991)	39,719
Decrease/(increase) in trade and other debtors	1,628,308	(346,782)
(Decrease)/increase in trade and other creditors	<u>(1,017,127)</u>	<u>658,620</u>
Cash generated from operations	<u>1,333,456</u>	<u>2,014,104</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2020

	31.12.20 £	1.1.20 £
Cash and cash equivalents	3,932,377	3,356,115
Bank overdrafts	(7)	(7,260)
	<u>3,932,370</u>	<u>3,348,855</u>

Year ended 31st December 2019

	31.12.19 £	1.1.19 £
Cash and cash equivalents	3,356,115	3,714,513
Bank overdrafts	(7,260)	-
	<u>3,348,855</u>	<u>3,714,513</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	3,356,115	576,262	3,932,377
Bank overdrafts	(7,260)	7,253	(7)
	<u>3,348,855</u>	<u>583,515</u>	<u>3,932,370</u>
Total	<u>3,348,855</u>	<u>583,515</u>	<u>3,932,370</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31st December 2020**

1. STATUTORY INFORMATION

Barrie Beard Holdings Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

FRS 102 REDUCED DISCLOSURE EXEMPTIONS (INDIVIDUAL COMPANY)

In preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", in regard to disclosures relating to the results of the individual company, advantage has been taken of the following disclosure exemptions:

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d); and
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the company and the subsidiaries that are controlled by the group. Control exists where the group has the power to govern the financial and operating policies of the subsidiaries, generally conferred by holding a majority of voting rights.

All inter-group balances, transactions, income and expenses are eliminated on consolidation.

The consolidated financial statements are prepared using uniform accounting policies.

The consolidated financial statements have been prepared under the merger accounting method, where the carrying values of the assets and liabilities of the parties to the combinations are not required to be adjusted to fair value on acquisition.

The comparative information stated by including the total comprehensive income for all the combining entities for the previous reporting period and their statement of financial position for the previous reporting date.

TURNOVER

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured as the fair value of the consideration received, excluding discounts, rebates, value added tax and other sales.

Where the outcome of a contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date. This is normally measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion. Variations in contract work, claims and incentive payments are included to the extent that can be measured reliably and its receipt is considered probable.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- not provided
Improvements to property	- 5% on cost
Plant and machinery	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on cost

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

2. ACCOUNTING POLICIES - continued

GOVERNMENT GRANTS

Government grants are recognised on the performance model. A grant that does not impose specified future performance-related conditions is recognised in income when the grant proceeds are received or receivable.

A grant that imposes specified future performance-related conditions is recognised in income only when the performance-related conditions are met. Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

STOCKS

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amounts of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in the profit and loss (if any).

FINANCIAL INSTRUMENTS

Financial instruments are recognised when the company becomes party to contractual provisions of the instrument.

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

Basic Financial Assets

Basic financial assets, which include trade and other receivables 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.

Basic Financial Liabilities

Basic Financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts, discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of the operations from suppliers. Accounts 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 payables are recognised initially at transaction.

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

DEFERRED TAX

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

RESEARCH AND DEVELOPMENT

Expenditure on research and development is written off in the year in which it is incurred.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

2. ACCOUNTING POLICIES - continued

PENSION COSTS

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to profit or loss in the period to which they relate.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

CRITICAL ACCOUNTING JUDGEMENTS

Freehold property not depreciated

The directors are of the opinion that, as the operations of the group require that the group has to carry out a regular programme of maintenance to ensure that its premises continue to meet the required high standards throughout its estimated useful life, that the residual value at the end of its estimated useful life is not likely to be materially lower than its cost and therefore any element of depreciation is considered to be immaterial and no provision for depreciation on freehold property has been made.

The carrying value of freehold property at the year end can be found in note 9 of the financial statements.

KEY SOURCES OF ESTIMATION UNCERTAINTY

Measurement of amounts recoverable under contract

The group recognises contract revenue and costs associated with professional service contracts by reference to the estimated stage of completion of contracts at the year end. The estimated stage of completion of contracts is calculated based on total costs to date compared to total expected costs. Total expected costs of contracts could potentially vary significantly from the amounts used in calculating the year end estimated stage of completion of contract.

The carrying value of amounts recoverable on contract at the year end can be found in note 15 of the financial statements.

4. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by class of business is given below:

	2020 £	2019 £
Contract services rendered	8,200,069	13,974,578
Shop sales of goods	53,605	54,822
Scrap metal sales	1,232	13,475
	<u>8,254,906</u>	<u>14,042,875</u>

Turnover only relates to sales from within the United Kingdom.

5. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	3,349,817	3,997,818
Social security costs	302,417	432,513
Other pension costs	243,175	318,628
	<u>3,895,409</u>	<u>4,748,959</u>

The average number of employees during the year was as follows:

	2020	2019
Employees	<u>126</u>	<u>130</u>

All staff pension costs relate only to defined contribution pension schemes.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

6. **DIRECTORS' EMOLUMENTS**

	2020	2019
	£	£
Directors' remuneration	34,397	34,772
Directors' pension contributions to money purchase schemes	<u>122,400</u>	<u>241,400</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>3</u>
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7. **OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	117,636	111,764
Loss on disposal of fixed assets	770	413
Auditors' remuneration	10,300	8,150
Operating lease expenditure	-	29,211
Government grant income	<u>(946,256)</u>	<u>-</u>

8. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2020	2019
	£	£
HMRC interest	<u>31</u>	<u>-</u>

9. **TAXATION**

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	60,035	404,616
R&D tax relief	(150,073)	(71,862)
Prior year adjustment	<u>(10,928)</u>	<u>-</u>
Total current tax	<u>(100,966)</u>	<u>332,754</u>
Deferred tax:		
Origination and reversal of timing differences	(52,086)	(1,107)
Adjustments to prior period provisions	<u>-</u>	<u>(216)</u>
Total deferred tax	<u>(52,086)</u>	<u>(1,323)</u>
Tax on profit	<u>(153,052)</u>	<u>331,431</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

9. TAXATION - continued

RECONCILIATION OF TOTAL TAX (CREDIT)/CHARGE INCLUDED IN PROFIT AND LOSS

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2020 £	2019 £
Profit before tax	<u>624,092</u>	<u>1,580,593</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	118,577	300,313
Effects of:		
Expenses not deductible for tax purposes	(57,461)	103,060
Adjustments to tax charge in respect of previous periods	(64,095)	(216)
Unprovided deferred tax assets	-	136
Research and development claims	<u>(150,073)</u>	<u>(71,862)</u>
Total tax (credit)/charge	<u>(153,052)</u>	<u>331,431</u>

10. **INDIVIDUAL STATEMENT OF COMPREHENSIVE INCOME**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

11. **DIVIDENDS**

	2020 £	2019 £
Interim dividends		
Ordinary A shares	60,000	110,000
Ordinary B shares	73,886	142,986
Ordinary C shares	56,886	175,786
Ordinary D shares	61,740	122,740
	<u>252,512</u>	<u>551,512</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

12. TANGIBLE FIXED ASSETS

Group

	Freehold property £	Improvements to property £	Plant and machinery £
COST			
At 1st January 2020	1,694,042	785,481	127,377
Additions	-	3,333	13,583
Disposals	-	-	-
At 31st December 2020	1,694,042	788,814	140,960
DEPRECIATION			
At 1st January 2020	-	381,838	55,782
Charge for year	-	36,753	11,511
Eliminated on disposal	-	-	-
At 31st December 2020	-	418,591	67,293
NET BOOK VALUE			
At 31st December 2020	1,694,042	370,223	73,667
At 31st December 2019	1,694,042	403,643	71,595
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1st January 2020	472,631	65,982	3,145,513
Additions	76,040	6,823	99,779
Disposals	(32,835)	(1,399)	(34,234)
At 31st December 2020	515,836	71,406	3,211,058
DEPRECIATION			
At 1st January 2020	258,278	32,108	728,006
Charge for year	56,077	13,295	117,636
Eliminated on disposal	(29,632)	(1,399)	(31,031)
At 31st December 2020	284,723	44,004	814,611
NET BOOK VALUE			
At 31st December 2020	231,113	27,402	2,396,447
At 31st December 2019	214,353	33,874	2,417,507

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

13. **FIXED ASSET INVESTMENTS**

Company

Shares in
group
undertakings
£

COST

At 1st January 2020
and 31st December 2020

101

NET BOOK VALUE

At 31st December 2020

101

At 31st December 2019

101

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

SUBSIDIARIES

Barrie Beard Limited

Registered office: Worcester Road, Upton Warren, Bromsgrove, Worcestershire, B61 7ET
Nature of business: Electrical contractor

Class of shares:	% holding
Ordinary A, B, C & D shares	100.00

Barrie Beard Properties Limited

Registered office: Worcester Road, Upton Warren, Bromsgrove, Worcestershire, B61 7ET
Nature of business: Property rental

Class of shares:	% holding
Ordinary	100.00

14. **STOCKS**

	Group	
	2020	2019
	£	£
Raw materials	224,911	217,920

15. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	764,538	2,548,343	-	-
Amounts owed by group undertakings	-	-	-	999,735
Amounts recoverable on contract	999,736	827,398	-	-
Other debtors	23,615	52,456	-	-
Amounts due from related parties	629	1,077	-	-
Tax	181,643	-	-	-
Accrued income	255	234	255	234
Prepayments	84,701	72,274	-	-
	2,055,117	3,501,782	255	999,969

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Bank loans and overdrafts (see note 17)	7	7,260	7	-
Trade creditors	554,250	1,047,188	-	-
Amounts owed to group undertakings	-	-	2,385	1
Corporation tax	-	332,639	698	-
Social security and other taxes	117,445	174,392	-	-
VAT	187,616	428,425	-	-
Pension creditor	18,791	17,863	-	-
Directors' loan accounts	199,035	286,436	-	-
Accrued expenses	499,604	639,563	3,030	900
	<u>1,576,748</u>	<u>2,933,766</u>	<u>6,120</u>	<u>901</u>

17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	<u>7</u>	<u>7,260</u>	<u>7</u>	<u>-</u>

Bank loans and overdrafts are secured by way of fixed and floating charges over all undertakings and assets of the subsidiary Barrie Beard Limited.

18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group	Non-cancellable operating leases	
	2020	2019
	£	£
Within one year	6,600	6,600
Between one and five years	3,300	9,900
	<u>9,900</u>	<u>16,500</u>

During the year the group acquired freehold property previously held under operating lease.

19. PROVISIONS FOR LIABILITIES

	Group	
	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	50,725	76,866
Deferred tax	(25,945)	-
	<u>24,780</u>	<u>76,866</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31st December 2020

19. PROVISIONS FOR LIABILITIES - continued

Group

	Deferred tax £
Balance at 1st January 2020	76,866
Credit to Statement of Comprehensive Income during year	(52,086)
Balance at 31st December 2020	<u>24,780</u>

An unprovided deferred tax asset relating to taxable losses carried forward of £136 (2019 - £136l) has not been provided as it is currently uncertain as to whether there will be sufficient future taxable profits with the individual group company to which these losses relate for such an asset to be realised in future years.

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

Class	Nominal value	Number in issue	£
Ordinary A	£1	25	25
Ordinary B	£1	25	25
Ordinary C	£1	25	25
Ordinary D	£1	25	25
			<u>100</u>

All shares rank pari passu, except for the distribution of the profits of the company there the directors determine the amounts and manner of dividends to be issued for each individual class of share.

21. RESERVES

Retained earnings represents cumulative profits and losses made by the group net of distributions to owners.

22. RELATED PARTY DISCLOSURES

Directors and other entities controlled by the directors

	2020 £	2019 £
Sales	122,931	268,360
Dividends issued	252,512	551,512
Amount due from related party	<u>629</u>	<u>1,077</u>

All transactions with related parties are considered to have been undertaken under normal trading terms.

23. POST BALANCE SHEET EVENTS - CORONA-VIRUS PANDEMIC

Due to the corona-virus outbreak, after the year end the group has continued to operate in accordance with the Government guidelines regarding social distancing and will only operate where it can adhere to the regulations in place.

An estimate of the financial effect of the event cannot be reliably made, whilst the guidelines fluctuate and relatively frequent changes to guidelines continue to be made.

24. ULTIMATE CONTROLLING PARTY

Mrs J Beard, Mr W Beard, Mr R Beard and Mr L Beard are considered to be the ultimate controlling parties of the group, by virtue of their equal shareholding in the parent company.