

SIMPSON (YORK) HOLDINGS LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2022



**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	R C Gatenby F.C.I.O.B B Gatenby A Gatenby B.Sc (Hons) M.C.I.O.B
<b>Company secretary</b>	R K Gatenby
<b>Registered number</b>	02916899
<b>Registered office</b>	10 Hassacarr Close Chessingham Park Dunnington York North Yorkshire YO19 5SN
<b>Independent auditor</b>	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Third Floor 10 South Parade Leeds LS1 5QS
<b>Bankers</b>	HSBC Bank Plc 33 Park Row Leeds LS1 1LD  Virgin Money 46 Coney Street York North Yorkshire YO1 9NQ

# **SIMPSON (YORK) HOLDINGS LIMITED**

## **CONTENTS**

	<b>Page</b>
<b>Chairman's Statement</b>	<b>1 - 2</b>
<b>Group Strategic Report</b>	<b>3 - 7</b>
<b>Directors' Report</b>	<b>8 - 9</b>
<b>Independent Auditor's Report</b>	<b>10 - 13</b>
<b>Consolidated Statement of Comprehensive Income</b>	<b>14</b>
<b>Consolidated Statement of Financial Position</b>	<b>15</b>
<b>Company Statement of Financial Position</b>	<b>16</b>
<b>Consolidated Statement of Changes in Equity</b>	<b>17 - 18</b>
<b>Company Statement of Changes in Equity</b>	<b>19</b>
<b>Consolidated Statement of Cash Flows</b>	<b>20</b>
<b>Consolidated Analysis of Net Debt</b>	<b>21</b>
<b>Notes to the Financial Statements</b>	<b>22 - 43</b>

## SIMPSON (YORK) HOLDINGS LIMITED

### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The chairman presents his statement for the period.

I am pleased to report that despite the ongoing challenges from Covid in 2021, significant material cost increases in the construction sector, and the political and economic uncertainties, that Simpson as a privately owned construction business is once again able to report being profitable with cash reserves, debt free and with a strong forward workload.

Our turnover for 2022 is £71,362,349 and profit before tax of £1,194,777, giving a result in percentage terms of 1.6%.

I appreciate and acknowledge with thanks, the commitment of the Simpson team at all site levels and locations, in the office and in the Joinery workshop.

*Our long-term relationships continue to prosper in fit-out, with particular focus on retail and leisure sectors. We have had a continuous stream of workload nationwide throughout 2022 with Framework partners, M&S and Sainsbury's. We have also continued to deliver work for other retail sector clients in the leisure sector, our project delivery with Cineworld has stalled due to the Chapter 11 process, and we continue our dialogue with them to recommence the suspended project at Chester.*

The Construction team have been busy with workload from a number of clients including Portwest (Industrial Warehouse unit), Haywood and Padgett (Food Factory extension works), Nestle (Office reconfiguration works), Veterinary Fitout in Bridlington, and several large Residential property refurbishments in the Yorkshire Region.

Belle House had its first full calendar year of trade, with our guests leaving positive reviews. Bookings for 2023 are up on the "like for like" basis and our booking rate is higher than other comparable properties.

Our Development opportunities have continued to expand with the addition of another JV in Bramham, which is currently consented for a residential and Care Home scheme. A new application will be submitted for a residential scheme. We successfully concluded the development with Byre Homes at Little Ribston and our site at the Convent in Filey has achieved Planning Approval. A decision on the Commercial Development in Hunmanby is awaited by the Planning Authority.

We have continued success with our Heritage workload successfully delivering Clifford's Tower, which won the regional Constructing Excellent Award. Securing a 2-year project at Salford Cathedral and continuing our works at the Grade 1 Listed project, Ledston Hall for the Wheler Foundation and at Hull Maritime Museum.

Our percentage of employees who have been with the business for over 5 years is 60% which is a reduction on prior years but only because we have got an increased level of new employees rather than staff leaving. Our accident and incident rate for Simpson employees (0) continues to be consistently below the HSE quoted industry average.

**SIMPSON (YORK) HOLDINGS LIMITED**

**CHAIRMAN'S STATEMENT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

Awards secured for the year include:

- Successfully retained all Management System standards – ISO 9001, 14001 and 45001
- Continued robust implementation of our Chain of Custody certification
- Re-Accreditation of IIP
- Regional Award Winner at constructing Excellence for Clifford's Tower

My thanks to all of our Clients both existing and new for their continued support and trust during another unsettled year. Whilst it has been a challenging time it has allowed the opportunity to work collaboratively and show how we can flexibly work together to deliver our projects under everchanging changing conditions.

I am convinced that the challenges and experiences that we've collectively worked through have brought us even closer together and certainly helped Simpson demonstrate that our focus is not just about profitability but on delivering safely and in a supportive manner.

Our supply chain including our sub-contractors and suppliers also deserve our thanks as working closely with them and ensuring their support has in turn meant that they have been confident in working with a safe and secure construction business that will be around at the start and at the completion of projects.

I also express our thanks to our Bankers, our trusted Financial and Legal Advisors who have all continued to provide us with support and advice through these changing times.

All in all everybody has worked with us to support and enhance our delivery and maintained our position as "the preferred choice" to our Key Accounts and Clients.

Name R C Gatenby FCIOB  
Chairman

Date 25.5.23



## **SIMPSON (YORK) HOLDINGS LIMITED**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Introduction**

The Directors present their Strategic Report for Simpson (York) Holdings Limited for the year ended 31 December 2022.

2022 saw the appointment of a new Managing Director and a re-structuring of the Directors Roles and Responsibilities, creating tighter controls and clearer lines of responsibility and communication. The changes have resulted in enhanced project delivery and increased profitability, set amongst the backdrop of political and economic uncertainty. The team remain committed and skilled in terms of delivering projects in a safe, sustainable and enjoyable manner. We maintain our environmental standards/commitments and have achieved a re-certification/accreditation for:

- Chain of Custody Certification in terms of Bespoke Joinery works
- Re-accreditation with the renewal of ISO 9001, 14001 & 45001
- Constructionline Gold Member
- Ecovadis accreditation maintained
- Other certifications include Safe Contractor, Safe PQQ, CHAS, QMark, Investors in People, Safe Contractors, Acclaim and RSQS.

We continue to be a recognised player in both the fit-out and construction marketplace with our reputation for delivering Heritage schemes growing, following successful completion of Clifford's Tower, York and our ongoing works at Ledston Hall and Hull Maritime Museum, also securing the 2-year refurbishment project at Salford Cathedral. This is achieved through our 157 direct employees who enable us to maintain our strong long-term relationships with our key Clients as well as assisting in developing new Client relationships. The foundation of these relationships is based on our collaborative approach with our Clients to enable them achieve their own goals whilst sustainably delivering our projects.

The training, development and wellbeing of our employees remains a high priority to the business, and we continue to be invested in supporting our individual's mental health by training a number of staff to be "Mental Health First Aiders" both in our offices and on site. These individuals are a point of contact should anyone in the business be experiencing mental health distress and they are trained to provide initial support/ direct the individual to further support if required. Furthermore, we have partnered with an external provider who provides 24-hour helplines, counselling sessions and general pastoral care.

We continue to conduct our business in an ethical manner with commitment to the highest standards of Health & Safety for our workforce whilst maintaining the ethos of our core values:

**Passionate**

**Responsible**

**Integrity**

**Dedicated**

**Engaging**

**Simpson** continue to be a debt free business whilst being accountable to all our Stakeholders.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Business review**

I appreciate and acknowledge the commitment of the **Simpson** team at all site levels and locations, in the office and in the Joinery workshop.

Our long-term relationships continue to prosper in fit-out, with particular focus on retail and leisure sectors. We have had a continuous stream of workload nationwide throughout 2022 with Framework partners, M&S and Sainsbury's. We have also continued to deliver work for other retail sector clients in the leisure sector, our project delivery with Cineworld has stalled due to the Chapter 11 process, and we continue our dialogue with them to recommence the suspended project at Chester.

The Construction team have been busy with workload from a number of clients including Portwest (Industrial Warehouse unit), Haywood and Padgett (Food Factory extension works), Nestle (Office reconfiguration works), Veterinary Fitout in Bridlington, and several large Residential property refurbishments in the Yorkshire Region. Belle House had its first full calendar year of trade, with our guests leaving positive reviews. Bookings for 2023 are up on the "like for like" basis and our booking rate is higher than other comparable properties.

Our Development opportunities have continued to expand with the addition of another JV in Bramham, which is currently consented for a residential and Care Home scheme. A new application will be submitted for a residential scheme. We successfully concluded the development with Byre Homes at Little Ribston and our site at the Convent in Filey has achieved Planning Approval. A decision on the Commercial Development in Hunmanby is awaited by the Planning Authority.

We have continued success with our Heritage workload successfully delivering Clifford's Tower, which won the regional Constructing Excellent Award. Securing a 2-year project at Salford Cathedral and continuing our works at the Grade 1 Listed project, Ledston Hall for the Wheler Foundation and at Hull Maritime Museum.

Our percentage of employees who have been with the business for over 5 years is 60% which is a reduction on prior years but only because we have got an increased level of new employees rather than staff leaving. Our accident and incident rate for **Simpson** employees (0) continues to be consistently below the HSE quoted industry average.

Awards secured for the year include:

- Successfully retained all Management System standards – ISO 9001, 14001 and 45001
- Re-Accreditation of IIP
- Regional Award Winner at Constructing Excellence for Clifford's Tower

The **Simpson** business was again recognised within the Top 100 in the York St John College in York Press business review ranked 33.

#### **Principal risks and uncertainties**

Our financial stability remains strong, and our cash reserves underpin our strength; all of which is demonstrated by the Dun & Bradstreet rating of 3A to Simpson (York) Holdings Limited. This rating and assessment give continued comfort and assurance to both our existing clients and new potential clients, as well as our partners in the supply chain. This provides confidence that we remain a solid business and one to trade with, both now and in the future.

Remaining profitable with substantial financial reserves and no debt helps illustrate the robust operational and financial systems that **Simpson** has in place. Our strategic focus remains with the medium to long term growth of the business, through both our traditional business operations and development works. We feel confident that we are well placed to succeed, particularly with a strong secured forward

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **Financial key performance indicators**

Management use a range of performance measures to monitor and manage the business. These are split in to financial and non financial key performance indicators as set out below.

**Profit retentions** - Gross Profit Margin, Net Profit Margin, Return on Capital Employed

**Liquidity ratios** - Current ratio

**Activity ratios** - Debtor days, Creditor days

**Capital ratios** - Gearing

**Non financial** - Accident incident rate, staff turnover, customer and public complaints, customer satisfaction, Bradford points, insurance claims.

For 2022 these remained consistent with, or improved upon, 2021.

#### **Financial Performance and Position**

Our construction activity for 2022 was at a turnover level of £28,739,343 and our fit-out works totalled £42,466,372. Non-construction work, including lettings at Belle House, combined to give us a turnover level of £71,362,349 which has generated a profit before tax of £1,194,777.

This maintains our established record in terms of profitable operations on site. The combination of well managed sites with our robust operational controls, coupled with our accounting practices.

The ownership of our Business Park at Dunnington remains with Simpson (York) Holdings Limited to clearly separate the trading business and the holding company at the advice of Armstrong Watson. The Business Park was fully let at the year end with Azotic Technologies becoming our newest tenant in August 2022, when they leased Unit 6 which had been extended, and bespoke fitted out to their requirements.

#### **SUSTAINABILITY - PEOPLE, PLANET, PROSPERITY**

##### **People**

- Our Employee Accident Incident rate of 0 remains below the HSE reported industry average of 209
- Our provision of 4 training days per employee exceeds the industry average of 2 days per employee
- Over 30 courses delivered to our employees through our new online training platform.
- 60% of Simpson employees have been with the business for over 5 years. Please note this percentage has reduced due to increased number of new employees employed by the Business rather than a number of leavers.
- 100% of all site management have a Site Managers Safety Training Scheme/ Site Supervisors Safety Training Scheme qualification as appropriate.
- 6 trained Mental Health First Aiders and 1 trained Counsellor.



## SIMPSON (YORK) HOLDINGS LIMITED

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Planet

- 95% of total waste diverted from landfill — we are continually looking for innovative solutions to increase this figure.
- Chain of Custody registration audited and maintained for a further year, registration now being maintained for over 12 years
- 8 consecutive years' reduction in business carbon footprint.
- ISO 9001, 14001 & 45001 management system registration maintained (registered since 2003).
- Head Office electric car charging points installed – Procurement Policy of Company electric and hybrid cars, agreed from 2023 onwards
- Project trial of 'The future Net Zero Standard (fNZ Standard)' NFB supported platform now to be utilised to manage overall Business Carbon production.

#### Prosperity

- 6 charities (mainly local) were directly supported by the business, with donations made of £4k
- Shortlisted for the Constructing Excellence People Development award
- Potential award-winning Considerate Constructors Scheme scores achieved at both Hull Maritime Museum and Clifford's Tower.

#### SUMMARY

The entire **Simpson** team remain committed and passionate regarding our business objective to be “***the preferred choice***” for our Clients project works, and to provide a quality, competitive and sustainable delivery to all projects.

We, like many businesses, have faced new challenges posed by the pandemic and political/economic uncertainty over the last couple of years and latterly over the material price inflation within the construction sector. Throughout this our concern has remained with the safety, health and welfare of our people, clients, the public and all those involved in our projects. We feel that by working collaboratively with our clients and our team, we have and will continue to overcome these challenges.

To conclude, we remain a debt free business with significant financial strength and a substantial forward workload split between our construction, fit-out and development activities moving forward. This has put us in a strong position to overcome any future obstacles and we look forward to the opportunity of continuing to work with our Clients to deliver this future activity.

#### **Directors' statement of complinace with duty to promote the success of the Group**

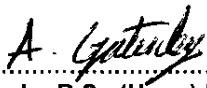
The Directors believe in building long term, strong and sustainable relationships with our Suppliers and Clients. This approach has enabled the business to continue to grow and is evident in every project we undertake with our Clients.

**Simpson** actively plays a part within the local community as it aims to employ local people and utilise the services of local companies as far as is possible. We fully support apprentice schemes, training and working with others particularly with the City of York and local colleges. The Directors are committed to employees' health, wellbeing and training engaging with specialists for external training and providing in-house sessions for team leaders and managers during working time.

**SIMPSON (YORK) HOLDINGS LIMITED**

**GROUP STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

This report was approved by the board and signed on its behalf.

  
.....  
**A Gatenby B.Sc (Hons) M.C.I.O.B**  
**Director**

Date: **25/5/23**

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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.

#### **Results and dividends**

The profit for the year, after taxation and minority interests, amounted to £1,078,136 (2021 - £551,732).

Dividends of £Nil (2021: £Nil) were paid during the year.

#### **Directors**

The directors who served during the year were:

R C Gatenby F.C.I.O.B  
B Gatenby  
A Gatenby B.Sc (Hons) M.C.I.O.B

#### **Future developments**

The directors are not expecting to make any significant changes in the nature of the business in the near future.

#### **Engagement with suppliers, customers and others**

The directors believe in building long term, strong and sustainable relationships with our customers and suppliers. This approach has enabled us to win long term contracts of supply with our customers. The company is an equal opportunities employer. Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. All disabled employees are eligible for training and promotion and, within the limits of their disabilities, are given equal consideration with other applicants.

## SIMPSON (YORK) HOLDINGS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

#### Greenhouse gas emissions, energy consumption and energy efficiency action

##### Consumption (MWh)

Gas 100.86 (2021 – 167.91)  
Electricity 334.85 (2021 – 327.63)  
Total Energy Consumption 435.71 (2021 – 495.54)

##### Emissions (tCO<sub>2</sub>)

Gas 18.37 (2021 – 30.83)  
Electricity 64.75 (2021 – 171.91)  
Fuel for Transport (Scope 1) 249.44 (2021 – 457.71)  
Total Energy Emissions 332.56 (2021 – 660.45)

##### Intensity Ratio

(Turnover per £M) 0.219 (2021 – 0.090)

##### Methodology

The 2019 HM Government Environmental Reporting Guidelines, GHG Reporting Protocol – Corporate Standard have been followed and the 2022 UK Government's Conversion Factors for Company Reporting have been used.

##### Intensity Ratio

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per delivery made.

Looking ahead to 2023 we have chosen to work with Net Zero International to develop our carbon reduction plan.

#### Matters covered in the Group Strategic Report

Information is not shown in the director's report because it is shown in the strategic report instead under s414C (11). The strategic report includes a business review, principal risk and uncertainties and financial key performance indicators.

##### Auditor

Under section 487(2) of the Companies Act 2006, Armstrong Watson Audit Limited will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf.



.....  
A Gatenby B.Sc (Hons) M.C.I.O.B  
Director

Date: 25/5/23

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF SIMPSON (YORK) HOLDINGS LIMITED**

#### **Opinion**

We have audited the financial statements of Simpson (York) Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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's affairs as at 31 December 2022 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF SIMPSON (YORK) HOLDINGS LIMITED (CONTINUED)**

#### **Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

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

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

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## SIMPSON (YORK) HOLDINGS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF SIMPSON (YORK) HOLDINGS LIMITED (CONTINUED)

#### 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 Group 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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

We identified the laws and regulations applicable to the group through discussions with directors and other management and review of appropriate industry knowledge;

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

Performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships; tested journal entries to identify unusual transactions; and tested the operating effectiveness of key controls over purchase cycles on a sample basis.

We have reviewed the application of accounting policies with focus on those with heightened estimation uncertainty.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

Agreeing financial statement disclosures to underlying supporting documentation; and enquiring of management as to actual and potential litigation and claims.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

## **SIMPSON (YORK) HOLDINGS LIMITED**

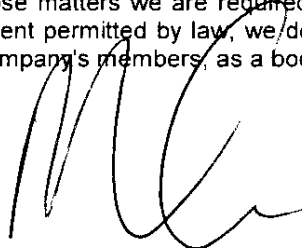
### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS, AS A BODY, OF SIMPSON (YORK) HOLDINGS LIMITED (CONTINUED)**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditor's Report.

#### **Use of our report**

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



Matthew Osbourne (Senior Statutory Auditor)  
for and on behalf of

**Armstrong Watson Audit Limited**  
Chartered Accountants & Statutory Auditors  
Leeds

Date: 25.3.23



**SIMPSON (YORK) HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	71,362,349	59,618,512
Cost of sales		<u>(67,314,915)</u>	<u>(55,990,892)</u>
<b>Gross profit</b>		<b>4,047,434</b>	<b>3,627,620</b>
Administrative expenses		<u>(3,551,220)</u>	<u>(3,260,988)</u>
Other operating income	5	197,537	271,731
<b>Operating profit</b>	6	<b>693,751</b>	<b>638,363</b>
Income from fixed assets investments		<b>500,000</b>	-
Interest receivable and similar income	10	8,405	13,561
Interest payable and similar expenses	11	<u>(7,379)</u>	<u>(7,444)</u>
<b>Profit before taxation</b>		<b>1,194,777</b>	<b>644,480</b>
Tax on profit	12	<u>(120,724)</u>	<u>(92,748)</u>
<b>Profit for the financial year</b>		<b>1,074,053</b>	<b>551,732</b>
<b>Profit for the year attributable to:</b>			
Non-controlling interests		<u>(4,083)</u>	-
Owners of the parent Company		<u>1,078,136</u>	551,732
		<b>1,074,053</b>	<b>551,732</b>

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02916899**

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets		(103,280)	-
Tangible assets	14	1,144,837	1,132,615
Investments	15	2	1
Investment property	16	4,346,400	3,832,400
		<u>5,387,959</u>	<u>4,965,016</u>
<b>Current assets</b>			
Stocks	17	3,433,398	131,558
Debtors: amounts falling due within one year	18	16,281,297	16,704,998
Cash at bank and in hand	19	2,777,466	7,854,262
		<u>22,492,161</u>	<u>24,690,818</u>
Creditors: amounts falling due within one year	20	(15,726,882)	(18,200,363)
<b>Net current assets</b>		<u>6,765,279</u>	<u>6,490,455</u>
<b>Total assets less current liabilities</b>		<u>12,153,238</u>	<u>11,455,471</u>
Creditors: amounts falling due after more than one year	21	(71,195)	(148,317)
<b>Provisions for liabilities</b>			
Deferred taxation	23	(38,665)	(81,157)
		<u>(38,665)</u>	<u>(81,157)</u>
<b>Net assets</b>		<u><u>12,043,378</u></u>	<u><u>11,225,997</u></u>
<b>Capital and reserves</b>			
Called up share capital	24	450,000	450,000
Share Option Reserve		(28,469)	228,204
Capital redemption reserve		50,000	50,000
Profit and loss account		11,575,929	10,497,793
<b>Equity attributable to owners of the parent Company</b>		<u>12,047,460</u>	<u>11,225,997</u>
Non-controlling interests		(4,082)	-
		<u><u>12,043,378</u></u>	<u><u>11,225,997</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

..... *A. Gatenby* .....  
**A Gatenby B.Sc (Hons) M.C.I.O.B**  
 Director

Date: 25/5/23

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**  
**REGISTERED NUMBER: 02916899**

**COMPANY STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Investments	15	562,060	562,059
Investment property	16	3,246,400	2,732,400
		<u>3,808,460</u>	<u>3,294,459</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	18	3,426,849	2,715,813
Cash at bank and in hand	19	1,153,010	2,332,581
		<u>4,579,859</u>	<u>5,048,394</u>
Creditors: amounts falling due within one year	20	(1,394,566)	(1,607,812)
<b>Net current assets</b>		<u>3,185,293</u>	<u>3,440,582</u>
<b>Total assets less current liabilities</b>		<u>6,993,753</u>	<u>6,735,041</u>
<b>Net assets</b>		<u><u>6,993,753</u></u>	<u><u>6,735,041</u></u>
<b>Capital and reserves</b>			
Called up share capital	24	450,000	450,000
Share Option Reserve		(28,469)	228,204
Capital redemption reserve		50,000	50,000
Profit and loss account brought forward		6,006,837	5,899,134
Profit for the year		515,385	107,703
Profit and loss account carried forward		<u>6,522,222</u>	<u>6,006,837</u>
		<u><u>6,993,753</u></u>	<u><u>6,735,041</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

..... *A. Gatenby* .....  
**A Gatenby B.Sc (Hons) M.C.I.O.B**  
 Director

Date: *25/5/23*

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share Option Reserve	Capital redemption reserve	Profit and loss account	Non- controlling interests
	£	£	£	£	£
At 1 January 2022	450,000	228,204	50,000	10,497,793	-
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	1,078,136	-
Movement in share option reserve	-	-	-	-	(4,082)
<b>Total comprehensive income for the year</b>	-	-	-	1,078,136	(4,082)
<b>Contributions by and distributions to owners</b>					
Share option reserve adjustments	-	(256,673)	-	-	-
<b>Total transactions with owners</b>	-	(256,673)	-	-	-
<b>At 31 December 2022</b>	<b>450,000</b>	<b>(28,469)</b>	<b>50,000</b>	<b>11,575,929</b>	<b>(4,082)</b>

	<b>Total equity</b>
	<b>£</b>
At 1 January 2022	11,225,997
<b>Comprehensive income for the year</b>	
Profit for the year	1,078,136
Movement in share option reserve	(4,082)
<b>Total comprehensive income for the year</b>	<b>1,074,054</b>
<b>Contributions by and distributions to owners</b>	
Share option reserve adjustments	(256,673)
<b>Total transactions with owners</b>	<b>(256,673)</b>
<b>At 31 December 2022</b>	<b>12,043,378</b>

**SIMPSON (YORK) HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Called up share capital</b>	<b>Share Option Reserve</b>	<b>Capital redemption reserve</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 January 2021	450,000	(247,250)	50,000	9,946,061	10,198,811
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	551,732	551,732
<b>Total comprehensive income for the year</b>	-	-	-	551,732	551,732
<b>Contributions by and distributions to owners</b>					
Share option reserve movements	-	475,454	-	-	475,454
<b>Total transactions with owners</b>	-	475,454	-	-	475,454
<b>At 31 December 2021</b>	<b>450,000</b>	<b>228,204</b>	<b>50,000</b>	<b>10,497,793</b>	<b>11,225,997</b>

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Share Option Reserve	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	450,000	228,204	50,000	6,006,837	6,735,041
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	515,385	515,385
<b>Contributions by and distributions to owners</b>					
Share option reserve adjustments	-	(256,673)	-	-	(256,673)
<b>Total transactions with owners</b>	-	(256,673)	-	-	(256,673)
<b>At 31 December 2022</b>	<b>450,000</b>	<b>(28,469)</b>	<b>50,000</b>	<b>6,522,222</b>	<b>6,993,753</b>

The notes on pages 22 to 43 form part of these financial statements.

**COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Share Option Reserve	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	450,000	(247,250)	50,000	5,899,134	6,151,884
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	107,703	107,703
<b>Contributions by and distributions to owners</b>					
Purchase of own shares	-	475,454	-	-	475,454
<b>Total transactions with owners</b>	-	475,454	-	-	475,454
<b>At 31 December 2021</b>	<b>450,000</b>	<b>228,204</b>	<b>50,000</b>	<b>6,006,837</b>	<b>6,735,041</b>

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,074,053	551,732
<b>Adjustments for:</b>		
Depreciation of tangible assets	279,196	287,696
Profit on disposal of tangible assets	(29,993)	(163,804)
Interest paid	7,379	7,444
Interest and dividend received	(508,405)	(13,561)
Taxation charge	120,724	92,748
(Increase)/decrease in stocks	(3,178,000)	451,025
Decrease/(increase) in debtors	195,858	(3,171,572)
(Decrease)/increase in creditors	(2,562,593)	4,292,840
Corporation tax (paid)	(137,306)	(77,629)
<b>Net cash generated from operating activities</b>	<b>(4,739,087)</b>	<b>2,256,919</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(314,475)	(101,991)
Sale of tangible fixed assets	53,050	89,548
Purchase of investment properties	(514,000)	(1,490,000)
Interest received	8,405	13,561
HP interest paid	(7,379)	(7,444)
Dividends received	500,000	-
<b>Net cash from investing activities</b>	<b>(274,399)</b>	<b>(1,496,326)</b>
<b>Cash flows from financing activities</b>		
Repayment of/new finance leases	(63,310)	(154,137)
<b>Net cash used in financing activities</b>	<b>(63,310)</b>	<b>(154,137)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(5,076,796)</b>	<b>606,456</b>
Cash and cash equivalents at beginning of year	7,854,262	7,247,806
<b>Cash and cash equivalents at the end of year</b>	<b>2,777,466</b>	<b>7,854,262</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	2,777,466	7,854,262
	<b>2,777,466</b>	<b>7,854,262</b>

The notes on pages 22 to 43 form part of these financial statements.

**SIMPSON (YORK) HOLDINGS LIMITED**

**CONSOLIDATED ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	7,854,262	(5,076,796)	2,777,466
Debt due within 1 year	(105,548)	30,853	(74,695)
Finance leases	(254,941)	63,310	(191,631)
	<u>7,493,773</u>	<u>(4,982,633)</u>	<u>2,511,140</u>

The notes on pages 22 to 43 form part of these financial statements.



## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. General information**

The principal activity of the company was that of a holding company to a trading group. The registered office is located in 10 Hassacarr Close, Chessingham Park, Dunnington, York, North Yorkshire, YO19 5SN. The group is engaged in fitting out, construction, maintenance and development through its main trading subsidiary Simpson (York) Limited.

The accounts are prepared in Sterling (£).

The company is a limited liability company incorporated and domiciled in the United Kingdom. The company is a tax resident in the United Kingdom. The company is a private company limited by shares.

#### **2. Accounting policies**

This section covers the main accounting policies of the group.

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

*No individual profit and loss account is presented for Simpson (York) Holdings Limited as permitted by section 408 of the Companies Act 2006.*

The following principal accounting policies have been applied:

##### **2.2 Basis of consolidation**

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2014.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.3 Going concern**

The directors have prepared the accounts on a going concern basis while the group has a strong asset base and significant cash balances across its group of companies.

In reaching their conclusion, the directors have considered cash flows covering a period of 12 months from the date of sign off.

The group also has a strong order book flowing through into the 2023 and 2024 financial year. After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

##### **2.4 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

###### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### **2.5 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.6 Leased assets: the Group as lessee**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.8 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.9 Pensions**

###### **Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

##### **2.10 Share-based payments**

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

##### **2.12 Investment property**

Investment property is carried at fair value determined by a professional valuation and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Profit and loss account.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.13 Intangible assets**

###### **Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

###### **Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### **2.14 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 10% - 20% per annum
Motor vehicles	- 20% - 40% per annum
Fixtures and fittings	- 25% - 33% per annum

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### **2.15 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.16 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

##### **2.17 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **2.18 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### **2.19 Long-term contracts**

Profit on long-term contracts is taken as the work is carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs incurred to date bear to total expected costs for that contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

##### **2.20 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### **2.21 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of Financial Position.

## **SIMPSON (YORK) HOLDINGS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **2. Accounting policies (continued)**

##### **2.22 Financial instruments**

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

##### **2.23 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividend are recognised when approved by the shareholders at an annual general meeting.

#### **3. Judgements in applying accounting policies and key sources of estimation uncertainty**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Provisions for trade debtors are reviewed by the directors on an ongoing basis who use their specific industry knowledge and experience to ensure the correct judgements are made.

Investment properties are professionally valued when appropriate with ongoing review by the directors on an ongoing basis in accordance with the applicable standards.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

Management estimate the stage of completion of contracts by comparing actual costs to forecasts, relying on their past performance and expertise to make sure these provisions are accurate.

# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Fitting out	42,466,372	27,724,514
Construction	28,739,343	31,828,094
Holiday lets	156,635	65,904
	<u>71,362,350</u>	<u>59,618,512</u>

All turnover arose within the United Kingdom.

### 5. Other operating income

	2022 £	2021 £
JRS Furlough income	-	40,651
Net rents receivable	197,537	231,080
	<u>197,537</u>	<u>271,731</u>

### 6. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	279,196	287,696
Other operating lease rentals	237,686	243,686
Defined pension contribution cost	292,299	291,554
	<u></u>	<u></u>

### 7. Auditor's remuneration

During the year, the Group obtained the following services from the Company's auditor and its associates:

	2022 £	2021 £
Fees payable to the Company's auditor and its associates for the audit of the consolidated and parent Company's financial statements	29,750	29,500



# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 8. Employees

Staff costs, including directors' remuneration, were as follows:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Wages and salaries	<b>8,042,748</b>	7,733,642	<b>174,020</b>	171,020
Social security costs	<b>999,407</b>	931,680	<b>33,917</b>	21,161
Cost of defined contribution scheme	<b>292,299</b>	291,554	-	-
	<b>9,334,454</b>	8,956,876	<b>207,937</b>	192,181

The average monthly number of employees, including the directors, during the year was as follows:

	<b>2022 No.</b>	<b>2021 No.</b>
Production	<b>133</b>	120
Admin	<b>29</b>	31
	<b>162</b>	151

### 9. Directors' remuneration

	<b>2022 £</b>	<b>2021 £</b>
Directors' emoluments	<b>174,020</b>	171,020
	<b>174,020</b>	171,020

During the year retirement benefits were accruing to 1 directors (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £149,423 (2021 - £146,546).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £Nil (2021 - £NIL).

### 10. Interest receivable

	<b>2022 £</b>	<b>2021 £</b>
Other interest receivable	<b>8,405</b>	13,561
	<b>8,405</b>	13,561

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**11. Interest payable and similar expenses**

	2022 £	2021 £
Finance leases and hire purchase contracts	7,379	7,444
	<u>7,379</u>	<u>7,444</u>

**12. Taxation**

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	128,616	18,739
Adjustments in respect of previous periods	18,566	-
	<u>147,182</u>	<u>18,739</u>
<b>Total current tax</b>	<u>147,182</u>	<u>18,739</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(26,458)	71,752
Changes to tax rates	-	2,257
	<u>(26,458)</u>	<u>74,009</u>
<b>Tax on profit</b>	<u>120,724</u>	<u>92,748</u>

# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 12. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<b>1,194,777</b>	644,480
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>227,008</b>	122,451
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	<b>2,628</b>	1,894
Capital allowances for year in excess of depreciation	<b>19,974</b>	(33,233)
Adjustments to tax charge in respect of prior periods	<b>(3,902)</b>	486
Short-term timing difference leading to an increase (decrease) in taxation	<b>(9,494)</b>	1,150
Non-taxable income	<b>(115,490)</b>	-
<b>Total tax charge for the year</b>	<b>120,724</b>	92,748

#### Factors that may affect future tax charges

An increase in the UK corporation tax rate from 19% to 25% was announced in the 2021 budget, this is scheduled to take effect from April 2023. The rate for small profits under £50,000 will remain at 19%, and there will be taper relief for businesses with profits between £50,000 and £250,000.

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**13. Intangible assets**

**Group and Company**

	<b>Goodwill £</b>
<b>Cost</b>	
Additions	(103,280)
At 31 December 2022	<u>(103,280)</u>
<b>Net book value</b>	
At 31 December 2022	<u>(103,280)</u>
At 31 December 2021	<u>-</u>

**14. Tangible fixed assets**

**Group**

	<b>Freehold property £</b>	<b>Plant and machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures and fittings £</b>	<b>Total £</b>
<b>Cost or valuation</b>					
At 1 January 2022	390,000	556,849	1,313,033	745,387	3,005,269
Additions	-	-	312,957	1,518	314,475
Disposals	-	-	(171,630)	-	(171,630)
At 31 December 2022	<u>390,000</u>	<u>556,849</u>	<u>1,454,360</u>	<u>746,905</u>	<u>3,148,114</u>
<b>Depreciation</b>					
At 1 January 2022	-	413,147	968,802	490,705	1,872,654
Charge for the year on owned assets	-	22,623	174,102	82,471	279,196
Disposals	-	-	(148,573)	-	(148,573)
At 31 December 2022	<u>-</u>	<u>435,770</u>	<u>994,331</u>	<u>573,176</u>	<u>2,003,277</u>
<b>Net book value</b>					
At 31 December 2022	<u>390,000</u>	<u>121,079</u>	<u>460,029</u>	<u>173,729</u>	<u>1,144,837</u>
At 31 December 2021	<u>390,000</u>	<u>143,702</u>	<u>344,231</u>	<u>254,682</u>	<u>1,132,615</u>

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**14. Tangible fixed assets (continued)**

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	<b>2022</b>	2021
	<b>£</b>	£
Plant and machinery	<b>56,875</b>	63,375
Motor vehicles	<b>206,252</b>	247,870
	<b><u>263,127</u></b>	<u>311,245</u>

# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 15. Fixed asset investments

#### Company

	Investments in subsidiary companies £	Investment in Joint Venture £	Total £
<b>Cost or valuation</b>			
At 1 January 2022	562,058	1	562,059
Additions	1	-	1
At 31 December 2022	<u>562,059</u>	<u>1</u>	<u>562,060</u>

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Simpson (York) Limited	Fit out and construction	Ordinary	100%
Simpson Shopfitting Limited	Dormant	Ordinary	100%
Chessingham Park Management Limited	Dormant	Ordinary	100%
Simpson (York) Est Trustee Limited	Dormant	Ordinary	100%
Simpson (Belle House) Limited	Rental Income	Ordinary	100%
Simpson (Public Works) Limited	Dormant	Ordinary	100%
Bramham House Limited	Construction	Ordinary	60%
Freely Lane Limited*	Construction	Ordinary	100%

\* - Freely Lane Limited is a wholly-owned subsidiary of Bramham House Limited; Simpson (York) Holdings Limited owns 60% of the ordinary shares of this company.

Simpson (Belle House) Limited is exempt from audit by virtue of S479A of the Companies Act 2006.

The subsidiary companies have the same registered office as their parent company with the exception of Bramham House Limited and Freely Lane Limited which has the address of 12 Middlethorpe Business Park Sim Balk Lane, Bishopthorpe, York, England, YO23 2BD.

The company also has a 50% shareholding in Byre Homes (Yorkshire) Limited.

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**15. Fixed asset investments (continued)**

**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

<b>Name</b>	<b>Aggregate of share capital and reserves</b>	<b>Profit/(Loss)</b>
	<b>£</b>	<b>£</b>
Simpson (York) Limited	<b>5,590,622</b>	<b>532,983</b>
Simpson Shopfitting Limited	<b>1</b>	<b>-</b>
Chessingham Park Management Limited	<b>76</b>	<b>-</b>
Simpson (York) Est Trustee Limited	<b>1</b>	<b>-</b>
Simpson (Public Works) Limited	<b>100</b>	<b>-</b>
Bramham House Limited	<b>(6,078)</b>	<b>(6,080)</b>
Freely Lane Limited	<b>99,156</b>	<b>103,718</b>
Simpson (Belle House) Limited	<b>31,167</b>	<b>19,559</b>
	<b>-</b>	<b>-</b>

# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 16. Investment property

#### Group

	Investment property £
<b>Valuation</b>	
At 1 January 2022	3,832,400
Additions at cost	514,000
<b>At 31 December 2022</b>	<b>4,346,400</b>

The latest formal independent valuations were made by Blacks Property Consultants Limited on 15 March 2017, a firm of external qualified professional valuers, on an open market value for existing use basis. The directors believe the balances per the last external valuation still represent the values of the properties at the current accounting year end.

#### Company

	Investment property £
<b>Valuation</b>	
At 1 January 2022	2,732,400
Additions at cost	514,000
<b>At 31 December 2022</b>	<b>3,246,400</b>

The latest formal independent valuations were made by Blacks Property Consultants Limited on 15 March 2017, a firm of external qualified professional valuers, on an open market value for existing use basis. The directors believe the balances per the last external valuation still represent the values of the properties at the current accounting year end.

### 17. Stocks

	Group 2022 £	Group 2021 £
Work in progress	3,412,043	120,119
Finished goods and goods for resale	21,355	11,439
	<b>3,433,398</b>	<b>131,558</b>



# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 18. Debtors

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Trade debtors	<b>11,892,091</b>	8,866,782	<b>85,692</b>	48,008
Amounts owed by group undertakings	-	-	<b>2,181,600</b>	75,000
Other debtors	<b>1,251,146</b>	2,609,962	<b>1,155,047</b>	2,589,928
Prepayments and accrued income	<b>213,361</b>	190,829	<b>4,510</b>	2,580
Amounts recoverable on long-term contracts	<b>2,924,699</b>	5,037,425	-	-
Deferred taxation	-	-	-	297
	<b>16,281,297</b>	16,704,998	<b>3,426,849</b>	2,715,813

The amounts owed by group undertakings are interest free, repayable by demand and unsecured loans.

In Simpson (York) Holdings Limited, at 31 December 2022, £2,106,000 of the amounts owed by group undertakings are repayable over one year.

### 19. Cash and cash equivalents

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Company 2022 £</b>	<b>Company 2021 £</b>
Cash at bank and in hand	<b>2,777,466</b>	7,854,262	<b>1,153,010</b>	2,332,582
	<b>2,777,466</b>	7,854,262	<b>1,153,010</b>	2,332,582

# SIMPSON (YORK) HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

### 20. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Payments received on account	7,371,190	10,487,278	-	-
Trade creditors	4,826,725	3,389,693	-	-
Amounts owed to group undertakings	-	-	1,053,531	1,345,088
Corporation tax	73,482	18,739	36,340	5,032
Other taxation and social security	2,465,564	3,111,314	30,669	-
Obligations under finance lease and hire purchase contracts	120,436	106,624	-	-
Other creditors	118,210	152,181	1,299	1,299
Accruals and deferred income	751,275	934,534	272,727	256,393
	<b>15,726,882</b>	<b>18,200,363</b>	<b>1,394,566</b>	<b>1,607,812</b>

The net obligations under finance lease and hire purchase creditors are secured over the assets they relate to.

The amounts owed to group undertakings are interest free, repayable by demand and unsecured loans.

### 21. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £
Net obligations under finance leases and hire purchase contracts	71,195	148,317
	<b>71,195</b>	<b>148,317</b>

The net obligations under finance lease and hire purchase creditors are secured over the assets they relate to.

There are no amounts which are repayable over five years.

### 22. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £
Within one year	120,436	106,624
Between 1-5 years	71,195	148,317
	<b>191,631</b>	<b>254,941</b>

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**23. Deferred taxation**

**Group**

	<b>2022</b> £	2021 £
At beginning of year	<b>(81,157)</b>	(7,148)
Charged to the profit or loss	<b>42,492</b>	(74,009)
<b>At end of year</b>	<b>(38,665)</b>	(81,157)

	<b>Group</b> <b>2022</b> £	Group 2021 £	<b>Company</b> <b>2022</b> £	Company 2021 £
Accelerated capital allowances	<b>(38,665)</b>	(81,157)	-	297
	<b>(38,665)</b>	(81,157)	-	297

## SIMPSON (YORK) HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 24. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
3,250,000 (2021 - 3,250,000) A Ordinary shares of £0.10 each	<b>325,000</b>	325,000
675,000 (2021 - 675,000) B Ordinary shares of £0.10 each	<b>67,500</b>	67,500
5,750,000 (2021 - 5,750,000) C Ordinary shares of £0.01 each	<b>57,500</b>	57,500
	<hr/> <b>450,000</b> <hr/>	<hr/> 450,000 <hr/>

The A and B Ordinary shares carry ten votes per share and the C ordinary shares have one vote per share and dividends may be distributed at a differential rate between the classes of shareholders. There are no restrictions on repayment of share capital between the different type of shareholders.

#### 25. Share-based payments

There were 500,000 C shares exercised and granted during the 2022 accounting year

There were 225,000 B shares repurchased in the current account year at £1.519 per share.

There were no share options outstanding at the end of the year.

#### 26. Contingent liabilities

At 31 December 2022, there were contingent liabilities in respect of performance bonds arranged with the insurance company which amounted to £2,756,273 (2021: £1,541,051).

HSBC Bank plc holds a fixed charge over book debts, goodwill, uncalled capital and intellectual property and a floating charge over all other assets of the company.

There are unlimited cross guarantees and a right of group set off between Simpson (York) Limited and Simpson (York) Holdings Limited in favour of HSBC Bank plc.

#### 27. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £292,229 (2021 - £291,554). Contributions totalling £9,549 (2021 - £19,933) were payable to the fund at the balance sheet date.

## SIMPSON (YORK) HOLDINGS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 28. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Not later than 1 year	<b>253,336</b>	210,011
Later than 1 year and not later than 5 years	<b>786,235</b>	666,741
Later than 5 years	<b>348,148</b>	33,148
	<b><u>1,387,719</u></b>	<b><u>909,900</u></b>

The group is also a lessor and had the following minimum lease payments under non-cancellable operating leases as follows:

At 31 December 2022 the group was due £869,462 (2021: £573,729) from operating leases and £223,750 (2021: £152,396) is due within one year and £645,712 (2021: £403,400) is due between 12 months and 5 years and £Nil (2021: £18,333) is due over 5 years.

#### 29. Transactions with directors

Included within debtors due within one year are amounts of £708,770 (2021 - £965,020) due from various directors of Simpson (York) Limited. The balances are interest free and are repayable when their relative shareholdings are ultimately disposed of.

#### 30. Related party transactions

Included within creditors, amounts falling due within one year, is an amount of £1,299 (2021: £1,299) due to R C & B Gatenby. The balance is interest free and repayable on demand.

Included within other debtors, amounts falling due within one year, is an amount of £Nil (2021: £1,317,094) due from Byre Homes (Yorkshire) Limited. The amount is interest free and repayable on demand. R C Gatenby is a director of Byre Homes (Yorkshire) Limited.

The group rents premises from R C & B Gatenby under a formal lease agreement. Rent of £159,936 (2021: £159,936) was paid during the year.

The group rents premises from Crescent Trustees Limited under a formal lease agreement. Crescent Trustees Limited are the professional trustees of the SIPP of R C & B Gatenby. Rent of £77,750 (2021: £83,050) was paid during the year.

Simpson York (Holdings) Limited has given a loan to its subsidiary company, Bramham House Limited and was owed at 31 December 2022, £2,106,600 (2021: £Nil). No interest was charged on this loan in the current accounting year.

The group has taken advantage of the exemption contained in section 33 of FRS 102 'Related Party Disclosures' from disclosing transactions or balances with entities which form part of the group.

**SIMPSON (YORK) HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**31. Controlling party**

The ultimate controlling parties are R C Gatenby & B Gatenby.