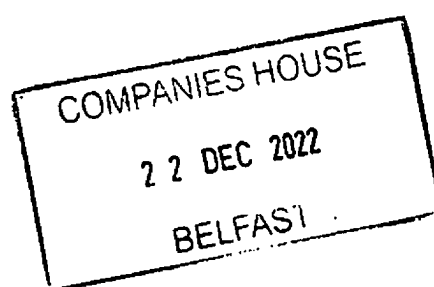


D.F.P.F. Limited
Financial Statements
31 March 2022



MANEELY Mc CANN CHARTERED ACCOUNTANTS

Chartered accountants & statutory auditor
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

D.F.P.F. Limited

Financial Statements

Year ended 31 March 2022

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D.F.P.F. Limited

Strategic Report

Year ended 31 March 2022

ABOUT D.F.P.F Limited Group

D.F.P.F Limited Group supports businesses in the UK and internationally to build, develop and retain skilled workforces. D.F.P.F Limited Group is a trusted partner to employers, industry bodies, skills organisations, donor funders, NGOs investment banks and governments, with over thirty years' experience in skills development and technical vocational education and training.

The practical, employer-led solutions are created in response to industry needs, using our unparalleled insight into the current and future skills priorities. We are passionate about transforming skills and our experts work collaboratively with industry, governments and stakeholders to provide tailored support and facilitate responsive solutions to workforce challenges.

Business model

Strategic analysis, planning and review is embedded into the operational functions of our business model, an approach to strategic planning which is a three-year rolling strategy subject to review and update annually. This well-established and effective model of planning and review was instrumental in supporting the management of the COVID-19 situation. It underpins the long-standing, pro-active nature of our organisation and our staff members, coupled with the ability to make quick, well-informed decisions based fundamentally on doing the best we could within the set limits existing at each phase. The organisation manages well the constant changes effecting both staff and learners, ever changing directives and safety measures.

The model continues to allow us to identify and capture long-term priorities and ensures that these are revised to reflect changes in the marketplace, sector and new business opportunities utilising a shorter planning cycle. The management team represent well all aspects of the business and enable informed discussion and quick pro-active measures to be put in place. The strategy is monitored and evaluated on an ongoing basis to assess performance and ensure continuous improvement.

Principal activities and business review

The principal activity of the group during the year continued to be the provision of vocational and corporate training and consultancy services.

The group operates through the UK and Ireland.

Overall, the directors are satisfied with the group's results for the year.

The group's result for the year is an operating profit of £1.5m (2021: £2.0m) and a profit on ordinary activities before taxation of £1.75m (2021: £2.24m). At the end of the year end net assets of the group were £6.3m (2021: £5.1m).

Future Developments

The directors continue to seek opportunities to develop the business that fits with the group's strategic objectives.

Principal risks and uncertainties

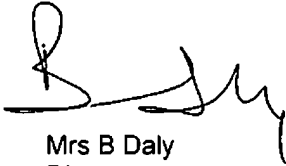
The group's main risk is change in government policy which could impact on the funding of certain courses that it provides. With this risk in mind, the directors are aware that any plans for the future development of the business could be subject to unforeseen future events outside of their control. The directors, however, focus on managing and mitigating this risk as part of the overall business strategy.

D.F.P.F. Limited

Strategic Report *(continued)*

Year ended 31 March 2022

This report was approved by the board of directors on 14 December 2022 and signed on behalf of the board by:



Mrs B Daly
Director

Registered office:
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

D.F.P.F. Limited

Directors' Report

Year ended 31 March 2022

The directors present their report and the financial statements of the group for the year ended 31 March 2022.

Directors

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

Mrs B Daly
Mr R Heenan
Mrs B Kernaghan

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Auditor

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

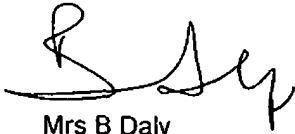
- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
 - they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's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

D.F.P.F. Limited

Directors' Report *(continued)*

Year ended 31 March 2022

This report was approved by the board of directors on 14 December 2022 and signed on behalf of the board by:



Mrs B Daly
Director

Registered office:
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

D.F.P.F. Limited

Independent Auditor's Report to the Members of D.F.P.F. Limited

Year ended 31 March 2022

Opinion

We have audited the financial statements of D.F.P.F. Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

D.F.P.F. Limited

Independent Auditor's Report to the Members of D.F.P.F. Limited *(continued)*

Year ended 31 March 2022

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

D.F.P.F. Limited

Independent Auditor's Report to the Members of D.F.P.F. Limited *(continued)*

Year ended 31 March 2022

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Group's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the Group's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Companies Act 2006 and Taxation Legislation.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess

D.F.P.F. Limited

Independent Auditor's Report to the Members of D.F.P.F. Limited *(continued)*

Year ended 31 March 2022

compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

- enquiring of management and external legal counsel concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in new making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

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

D.F.P.F. Limited

Independent Auditor's Report to the Members of D.F.P.F. Limited *(continued)*

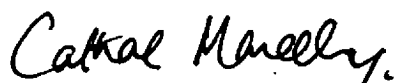
Year ended 31 March 2022

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

Use of our report

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



Cathal Maneely (Senior Statutory Auditor)

For and on behalf of
Maneely Mc Cann Chartered Accountants
Chartered accountants & statutory auditor
Aisling House
50 Stranmillis Embankment
Belfast
BT9 5FL

14 December 2022

D.F.P.F. Limited**Consolidated Statement of Comprehensive Income****Year ended 31 March 2022**

	Note	2022 £	2021 £
Turnover	4	5,919,454	5,705,725
Cost of sales		<u>146,726</u>	<u>137,753</u>
Gross profit		5,772,728	5,567,972
Administrative expenses		4,685,109	4,246,425
Other operating income	5	<u>451,194</u>	<u>698,515</u>
Operating profit	6	1,538,813	2,020,062
Income from interests in associates	8	13,599	13,529
Other interest receivable and similar income	9	205,315	205,104
Interest payable and similar expenses	10	<u>–</u>	<u>(9,308)</u>
Profit before taxation		1,757,727	2,248,003
Tax on profit	11	<u>314,280</u>	<u>393,097</u>
Profit for the financial year		<u>1,443,447</u>	<u>1,854,906</u>
Foreign currency retranslation		(7,383)	(31,276)
Total comprehensive income for the year		<u>1,436,064</u>	<u>1,823,630</u>

All the activities of the group are from continuing operations.

The notes on pages 17 to 29 form part of these financial statements.

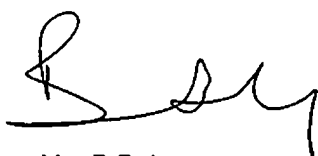
D.F.P.F. Limited

Consolidated Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	–	59,400
Tangible assets	14	229,852	227,777
Investments:	15		
Investments in joint-ventures		537,326	577,382
		<u>767,178</u>	<u>864,559</u>
Current assets			
Debtors	16	639,074	522,469
Investments	17	1,539,353	1,134,942
Cash at bank and in hand		4,254,489	3,335,334
		<u>6,432,916</u>	<u>4,992,745</u>
Creditors: amounts falling due within one year	19	<u>826,413</u>	<u>655,604</u>
Net current assets		<u>5,606,503</u>	<u>4,337,141</u>
Total assets less current liabilities		<u>6,373,681</u>	<u>5,201,700</u>
Provisions	20	<u>24,857</u>	<u>20,927</u>
Net assets		<u>6,348,824</u>	<u>5,180,773</u>
Capital and reserves			
Called up share capital	24	162	162
Capital redemption reserve	25	(30)	(30)
Profit and loss account	25	6,348,692	5,180,641
Shareholders funds		<u>6,348,824</u>	<u>5,180,773</u>

These financial statements were approved by the board of directors and authorised for issue on 14 December 2022, and are signed on behalf of the board by:



Mrs B Daly
Director

Company registration number: NI041643

The notes on pages 17 to 29 form part of these financial statements.

D.F.P.F. Limited

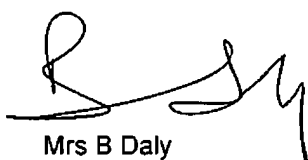
Company Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	–	59,400
Tangible assets	14	210,541	204,575
Investments	15	537,405	577,461
		<u>747,946</u>	<u>841,436</u>
Current assets			
Debtors	16	452,199	408,313
Investments	17	1,539,353	1,134,942
Cash at bank and in hand		4,084,805	3,181,036
		<u>6,076,357</u>	<u>4,724,291</u>
Creditors: amounts falling due within one year	19	<u>657,944</u>	<u>558,007</u>
Net current assets		<u>5,418,413</u>	<u>4,166,284</u>
Total assets less current liabilities		<u>6,166,359</u>	<u>5,007,720</u>
Provisions	20	<u>30,639</u>	<u>26,528</u>
Net assets		<u>6,135,720</u>	<u>4,981,192</u>
Capital and reserves			
Called up share capital	24	162	162
Capital redemption reserve	25	(30)	(30)
Profit and loss account	25	6,135,588	4,981,060
Shareholders funds		<u>6,135,720</u>	<u>4,981,192</u>

The profit for the financial year of the parent company was £1,422,541 (2021: £1,738,851).

These financial statements were approved by the board of directors and authorised for issue on 14 December 2022, and are signed on behalf of the board by:



Mrs B Daly
Director

Company registration number: NI041643

The notes on pages 17 to 29 form part of these financial statements.

D.F.P.F. Limited**Consolidated Statement of Changes in Equity****Year ended 31 March 2022**

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2020		162	(30)	3,653,011	3,653,143
Profit for the year				1,854,906	1,854,906
Other comprehensive income for the year:					
Foreign currency retranslation		—	—	(31,276)	(31,276)
Total comprehensive income for the year		—	—	1,823,630	1,823,630
Dividends paid and payable	12	—	—	(296,000)	(296,000)
Total investments by and distributions to owners		—	—	(296,000)	(296,000)
At 31 March 2021		162	(30)	5,180,641	5,180,773
Profit for the year				1,443,447	1,443,447
Other comprehensive income for the year:					
Foreign currency retranslation		—	—	(7,383)	(7,383)
Total comprehensive income for the year		—	—	1,436,064	1,436,064
Dividends paid and payable	12	—	—	(268,013)	(268,013)
Total investments by and distributions to owners		—	—	(268,013)	(268,013)
At 31 March 2022		162	(30)	6,348,692	6,348,824

The notes on pages 17 to 29 form part of these financial statements.

D.F.P.F. Limited

Company Statement of Changes in Equity

Year ended 31 March 2022

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2020		162	(30)	3,538,209	3,538,341
Profit for the year		—	—	1,738,851	1,738,851
Total comprehensive income for the year		—	—	1,738,851	1,738,851
Dividends paid and payable	12	—	—	(296,000)	(296,000)
Total investments by and distributions to owners		—	—	(296,000)	(296,000)
At 31 March 2021		162	(30)	4,981,060	4,981,192
Profit for the year		—	—	1,422,541	1,422,541
Total comprehensive income for the year		—	—	1,422,541	1,422,541
Dividends paid and payable	12	—	—	(268,013)	(268,013)
Total investments by and distributions to owners		—	—	(268,013)	(268,013)
At 31 March 2022		162	(30)	6,135,588	6,135,720

The notes on pages 17 to 29 form part of these financial statements.

D.F.P.F. Limited

Consolidated Statement of Cash Flows

Year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the financial year		1,443,447	1,854,906
<i>Adjustments for:</i>			
Depreciation of tangible assets		55,635	64,044
Amortisation of intangible assets		59,400	59,400
Government grant income		(451,194)	(698,515)
Income from interests in associates		(13,599)	(13,529)
Other interest receivable and similar income		(205,315)	(205,104)
Interest payable and similar expenses		–	(9,308)
Unrealised foreign currency gains		(7,360)	(31,258)
Tax on profit		314,280	393,097
Accrued expenses		144,659	64,946
<i>Changes in:</i>			
Trade and other debtors		(116,605)	(218,174)
Trade and other creditors		79,730	(192,162)
Cash generated from operations		1,303,078	1,068,343
Interest paid		–	9,308
Interest received		205,315	205,104
Tax paid		(487,942)	(398,953)
Net cash from operating activities		<u>1,020,451</u>	<u>883,802</u>
Cash flows from investing activities			
Purchase of tangible assets		(57,914)	(64,061)
Acquisition of interests in associates and joint ventures		(13,599)	(13,529)
Proceeds from sale of interests in associates and joint ventures		53,655	–
Dividends received		13,599	13,529
Net cash used in investing activities		<u>(4,259)</u>	<u>(64,061)</u>
Cash flows from financing activities			
Proceeds from borrowings		124,193	(61,680)
Government grant income		451,194	698,515
Dividends paid		(268,013)	(296,000)
Net cash from financing activities		<u>307,374</u>	<u>340,835</u>
Net increase in cash and cash equivalents		1,323,566	1,160,576
Cash and cash equivalents at beginning of year		4,470,276	3,309,700
Cash and cash equivalents at end of year	18	<u>5,793,842</u>	<u>4,470,276</u>

The notes on pages 17 to 29 form part of these financial statements.

D.F.P.F. Limited

Notes to the Financial Statements

Year ended 31 March 2022

1. General information

The company is a private company limited by shares, registered in Northern Ireland. The address of the registered office is Aisling House, 50 Stranmillis Embankment, Belfast, BT9 5FL.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

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

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

Disclosure exemptions

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

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

Consolidation

The financial statements consolidate the financial statements of D.F.P.F. Limited and all of its subsidiary undertakings.

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

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

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors. The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Revenue recognition

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

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

Income tax

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

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

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

Foreign currencies

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

Operating leases

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

Goodwill

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

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

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Amortisation

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

Goodwill - 5% straight line

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

Tangible assets

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

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

Depreciation

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

Freehold property - None
Fixtures and fittings - 20% straight line
Equipment - 15% reducing balance

Investments

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

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

Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

Impairment of fixed assets

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

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

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

Government grants

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

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

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

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

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

3. Accounting policies *(continued)*

Provisions

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

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

Financial instruments

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

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

Debt instruments are subsequently measured at amortised cost.

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

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

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

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

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

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

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

3. Accounting policies *(continued)*

Defined contribution plans

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

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

4. Turnover

Turnover arises from:

	2022 £	2021 £
Sale of goods	<u>5,919,454</u>	<u>5,705,725</u>

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

5. Other operating income

	2022 £	2021 £
Government grant income	<u>451,194</u>	<u>698,515</u>

6. Operating profit

Operating profit or loss is stated after charging:

	2022 £	2021 £
Amortisation of intangible assets	59,400	59,400
Depreciation of tangible assets	55,635	64,044
Impairment of trade debtors	925	-
Operating lease rentals	350,656	290,837
Foreign exchange differences	<u>15,683</u>	<u>36,657</u>

7. Staff costs

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

	2022 No.	2021 No.
Production staff	98	114
Management staff	<u>3</u>	<u>3</u>
	<u>101</u>	<u>117</u>

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

7. Staff costs *(continued)*

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

	2022	2021
	£	£
Wages and salaries	2,517,719	2,528,219
Social security costs	160,915	151,781
Other pension costs	45,933	98,066
	<u>2,724,567</u>	<u>2,778,066</u>

8. Income from interests in associates

	2022	2021
	£	£
Income from investments	<u>13,599</u>	<u>13,529</u>

9. Other interest receivable and similar income

	2022	2021
	£	£
Interest on bank deposits	904	967
Gain on fair value adjustment of financial assets at fair value through profit or loss	204,411	204,137
	<u>205,315</u>	<u>205,104</u>

10. Interest payable and similar expenses

	2022	2021
	£	£
Other interest payable and similar charges	<u>–</u>	<u>(9,308)</u>

11. Tax on profit

Major components of tax expense

	2022	2021
	£	£
Current tax:		
UK current tax expense	310,169	398,954
Deferred tax:		
Origination and reversal of timing differences	4,111	(5,857)
Tax on profit	<u>314,280</u>	<u>393,097</u>

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

11. Tax on profit *(continued)*

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit on ordinary activities before taxation	1,757,727	2,248,003
Profit on ordinary activities by rate of tax	333,970	427,120
Effect of expenses not deductible for tax purposes	(39,537)	(50,327)
Effect of capital allowances and depreciation	14,116	22,161
Effect of tax charged at other rates	1,620	—
Origination and reversal of timing differences	4,111	(5,857)
Tax on profit	314,280	393,097

12. Dividends

	2022 £	2021 £
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	268,013	296,000

13. Intangible assets

Group and company	Goodwill £
Cost	
At 1 April 2021 and 31 March 2022	1,188,000
Amortisation	
At 1 April-2021	1,128,600
Charge for the year	59,400
At 31 March 2022	1,188,000
Carrying amount	
At 31 March 2022	—
At 31 March 2021	59,400

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

14. Tangible assets

Group	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2021	95,537	821,586	590,164	1,507,287
Additions	–	22,359	35,555	57,914
Transfers	–	(204)	–	(204)
At 31 March 2022	95,537	843,741	625,719	1,564,997
Depreciation				
At 1 April 2021	75,533	615,978	587,999	1,279,510
Charge for the year	–	49,872	5,763	55,635
At 31 March 2022	75,533	665,850	593,762	1,335,145
Carrying amount				
At 31 March 2022	20,004	177,891	31,957	229,852
At 31 March 2021	20,004	205,608	2,165	227,777
Company				
	Freehold property £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 April 2021	20,004	708,864	590,164	1,319,032
Additions	–	22,359	35,555	57,914
At 31 March 2022	20,004	731,223	625,719	1,376,946
Depreciation				
At 1 April 2021	–	526,458	587,999	1,114,457
Charge for the year	–	46,185	5,763	51,948
At 31 March 2022	–	572,643	593,762	1,166,405
Carrying amount				
At 31 March 2022	20,004	158,580	31,957	210,541
At 31 March 2021	20,004	182,406	2,165	204,575

15. Investments

Group	Joint ventures £
Share of net assets/cost	
At 1 April 2021	577,382
Additions	13,599
Transfers	(53,655)
At 31 March 2022	537,326
Impairment	
At 1 April 2021 and 31 March 2022	–

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

15. Investments *(continued)*

Group			Joint ventures £
Carrying amount			
At 31 March 2022			537,326
At 31 March 2021			577,382
Company	Shares in group undertakings £	Shares in participating interests £	Total £
Cost			
At 1 April 2021	79	577,382	577,461
Additions	–	13,599	13,599
Transfers	–	(53,655)	(53,655)
At 31 March 2022	79	537,326	537,405
Impairment			
At 1 April 2021 and 31 March 2022	–	–	–
Carrying amount			
At 31 March 2022	79	537,326	537,405
At 31 March 2021	79	577,382	577,461

Subsidiaries, associates and other investments

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

	Class of share	Percentage of shares held
Subsidiary undertakings		
People 1st Employment and Skills Limited, 12-14 Upper Main Street Letterkenny, Donegal F92 HR9W	Ordinary	100

16. Debtors

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	449,865	379,967	354,701	276,696
Amounts owed by group undertakings	–	–	–	79,819
Prepayments and accrued income	177,572	130,864	85,861	40,160
Directors loan account	–	1	–	1
Other debtors	11,637	11,637	11,637	11,637
	<u>639,074</u>	<u>522,469</u>	<u>452,199</u>	<u>408,313</u>

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

17. Investments

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Short-term deposits	<u>1,539,353</u>	<u>1,134,942</u>	<u>1,539,353</u>	<u>1,134,942</u>

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2022	2021
	£	£
Cash at bank and in hand	4,254,489	3,335,334
Short-term deposits	<u>1,539,353</u>	<u>1,134,942</u>
	<u>5,793,842</u>	<u>4,470,276</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	155,233	122,208	131,448	109,395
Accruals and deferred income	299,474	154,815	265,672	124,553
Corporation tax	92,166	269,939	29,933	252,029
Social security and other taxes	155,347	108,642	106,698	72,030
Director loan accounts	<u>124,193</u>	<u>–</u>	<u>124,193</u>	<u>–</u>
	<u>826,413</u>	<u>655,604</u>	<u>657,944</u>	<u>558,007</u>

20. Provisions

Group	Deferred tax (note 21) £
At 1 April 2021	20,927
Charge against provision	4,111
Transfers	(181)
At 31 March 2022	<u>24,857</u>
Company	Deferred tax (note 21) £
At 1 April 2021	26,528
Charge against provision	<u>4,111</u>
At 31 March 2022	<u>30,639</u>

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

21. Deferred tax

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Included in provisions (note 20)	<u>24,857</u>	<u>20,927</u>	<u>30,639</u>	<u>26,528</u>

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Accelerated capital allowances	<u>24,857</u>	<u>20,927</u>	<u>30,639</u>	<u>26,528</u>

22. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £45,933 (2021: £98,066).

23. Government grants

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Recognised in other operating income:				
Government grants recognised directly in income	441,733	693,658	29,099	236,222
Government grants released to profit or loss	<u>9,461</u>	<u>4,857</u>	<u>9,461</u>	<u>4,857</u>
	<u>451,194</u>	<u>698,515</u>	<u>38,560</u>	<u>241,079</u>

24. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary A shares shares of £1 each	90	90	90	90
Ordinary B shares shares of £1 each	69	69	69	69
Ordinary C shares shares of £1 each	1	1	1	1
Ordinary D shares shares of £1 each	1	1	1	1
Ordinary E shares shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
	<u>162</u>	<u>162</u>	<u>162</u>	<u>162</u>

D.F.P.F. Limited

Notes to the Financial Statements *(continued)*

Year ended 31 March 2022

25. Reserves

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company. Profit and loss account - This reserve records retained earnings and accumulated losses.

26. Analysis of changes in net debt

	At 1 Apr 2021	Cash flows	At 31 Mar 2022
	£	£	£
Cash at bank and in hand	3,335,334	919,155	4,254,489
Debt due within one year	–	(124,193)	(124,193)
Current asset investments	1,134,942	404,411	1,539,353
	<u>4,470,276</u>	<u>1,199,373</u>	<u>5,669,649</u>

27. Operating leases

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

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Not later than 1 year	1,016	33,451	1,016	33,451
Later than 1 year and not later than 5 years	–	1,004	–	1,004
	<u>1,016</u>	<u>34,455</u>	<u>1,016</u>	<u>34,455</u>

28. Directors' advances, credits and guarantees

During the year the directors entered into the following advances and credits with the company and its subsidiary undertakings:

	2022		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mrs B Daly	–	(124,193)	(124,193)
	<u>–</u>	<u>(124,193)</u>	<u>(124,193)</u>
	2021		
	Balance brought forward	Advances/ (credits) to the directors	Balance outstanding
	£	£	£
Mrs B Daly	–	1	1
	<u>–</u>	<u>1</u>	<u>1</u>