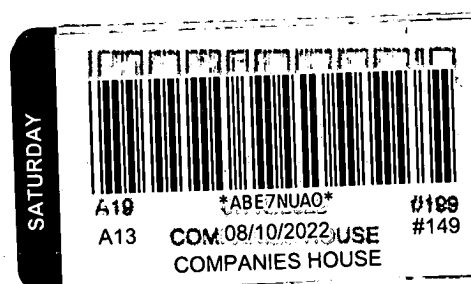


Company No. SC055959

**PLUMBING PENSIONS (UK)
ADMINISTRATION LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022**



PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2022

CONTENTS	Page
Directors and Officers	1
Report of the Directors	2
Independent Auditor's Report	4
Statement of Comprehensive Income	8
Statement of Financial Position	9
Notes to the Financial Statements	10

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

DIRECTORS AND OFFICERS

DIRECTORS

On behalf of the Scottish Plumbing and Northern Ireland Plumbing Employers' Federation (the Federation)

Garry Forster
Silviu (Rudi) Klein

On behalf of the Association of Plumbing and Heating Contractors (the Association)

Robert E Price MBE
Andrew Beaumont (resigned 15 July 2021)
Ross Trustees Services Limited, represented by Susan Andrews (appointed 21 September 2021)

On behalf of Unite the Union (the Union)

John Allott
Scott Foley
Steven Syson (resigned 14 July 2022)

Independent Directors

KB Independent Trustees Ltd, represented by Jon Bridger (Chairman)
Alan Pickering CBE

Company Secretary and Chief Executive

Kate Yates FIA

ADVISORS

Independent Auditor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Banker

Bank of Scotland
20-22 Shandwick Place
Edinburgh
EH2 4SB

REGISTERED OFFICE

Bellevue House
22 Hopetoun Street
Edinburgh
EH7 4GH

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their Annual Report and the Financial Statements of Plumbing Pensions (UK) Administration Limited (the Company) for the year ended 5 April 2022.

Principal activity

The principal activity of the Company is the administration and management of a defined benefit pension scheme on behalf of the plumbing and mechanical services industry.

Review of the business

Turnover equal to the operating loss net of any interest received amounting to £3,404,695 (2021: £3,233,887) was received from Plumbing and Mechanical Services (UK) Industry Pension Scheme.

The Directors have monitored the situation regarding Covid-19, and other world events, and the effects they may have on the operation and financial position of the Company. There has been no material disruption to the operation of the Company during the year, and the Directors also consider there will be minimal impact on operations and results during the 12 month period following approval of this Annual Report and the Financial Statements.

Results and dividends

The results for the year are set out on page 8. The Directors recommend that no dividend be paid (2021 - £nil).

Directors

The Directors who served during the year and to the date of approval are listed on page 1. The Directors have no beneficial or family interest in the shares of the Company.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law, the Directors have elected to prepare the Financial Statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the profit or loss of the Company for that period. In preparing those Financial Statements, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; and
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

REPORT OF THE DIRECTORS (CONTINUED)

Disclosure of Information to Auditors

The Directors confirm that:

- as far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and
- each Director has taken all the steps he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information
- they are satisfied that the going concern basis of preparation of the Financial Statements remains appropriate. However, additional disclosure has been made to reflect uncertainties arising due to Covid-19 and in light of there being a sole customer to which the Company provides services.

Auditor

The current auditor, Grant Thornton UK LLP will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small Companies' Exemption

In preparing this report, the Directors have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

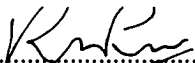
Qualifying Third Party Indemnity Provisions

The Company has provided qualifying third party indemnity provisions in respect of the Board of Directors which were in force during the year and at the date of this report.

Approved by the Board of Directors and signed on behalf of the Board.

.....Director

John Allott

.....Director

Robert Price MBE

Date: 26/9/2022

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

Opinion

We have audited the Financial Statements of Plumbing Pensions (UK) Administration Limited (the 'Company') for the year ended 5 April 2022, which comprise the Statement of Comprehensive Income, the Statement of Financial Position and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 5 April 2022 and of its results 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 Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 3 to the Financial Statements which indicates that the Company exists to perform administrative services for its sole customer, the Plumbing & Mechanical Services (UK) Industry Pension Scheme and relies on income from the Scheme to fund operations. As stated in Note 3, these events or conditions indicate that a material uncertainty exists and may cast doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

Our responsibilities

We are responsible for concluding 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 doubt on the 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 report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Company to cease to continue as a going concern.

The responsibilities of the Directors with respect to going concern are described in the 'Responsibilities of Directors for the Financial Statements' section of this report.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED (CONTINUED)

Other information

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the Financial Statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

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

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

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLUMBING PENSIONS (UK) ADMINISTRATION 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 Financial Statements.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Financial Reporting Standard 102 and the Companies Act 2006;
- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors, and from inspection of the company's board minutes and legal and regulatory correspondence. We discussed the policies and procedures regarding compliance with laws and regulations with the directors;
- We assessed the susceptibility of Plumbing Pensions (UK) Administration Limited financial statements to material misstatement, including how fraud might occur by meeting with management from relevant parts of the business to understand where management considered there was a susceptibility to fraud. We also considered performance targets and their influence on efforts made by management to manage earnings or influence the perceptions of analysts;
- Audit procedures performed by the engagement team included:
 - evaluation of the programmes and controls established to address the risks related to irregularities and fraud;
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
 - identifying and testing related party transactions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed noncompliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We assessed the appropriateness of the collective competence and capabilities of the engagement team including the consideration of the engagement team's understanding of, and practical experience with, audit engagements of a similar nature and complexity through appropriate training and participation and knowledge of the industry in which the company operates.

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.



Neil Knights
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP,
Statutory Auditor, Chartered Accountants
London

Date: 26/9/2022

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 5TH APRIL 2022**

	Note	2022 £	2021 £
Turnover	5	3,407,595	3,240,087
Administration expenses		<u>(3,407,595)</u>	<u>(3,250,217)</u>
Operating loss	6	-	(10,130)
Interest receivable		<u>-</u>	<u>130</u>
Loss on ordinary activities before taxation		-	(10,000)
Tax on loss on ordinary Activities	7	<u>-</u>	<u>-</u>
Loss for the financial year		-	(10,000)
Retained profit brought forward		<u>-</u>	<u>10,000</u>
Retained profit carried forward		<u>-</u>	<u>-</u>

A statement of total recognised gains and losses is not shown as all gains and losses are recognised in the profit and loss account above.

All of the activities of the Company are classified as continuing.

The notes on pages 10 to 14 form part of these Financial Statements

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 5 APRIL 2022**

	Note	£	2022 £	£	2021 £
Fixed assets					
Intangible assets	8		114,401		134,106
Tangible assets	9		<u>44,449</u>		<u>11,505</u>
			158,850		145,611
Current assets					
Debtors	11	2,103,314		1,880,709	
Cash in bank and in hand		<u>85,319</u>		<u>56,865</u>	
		2,188,633		1,937,574	
Current liabilities					
Creditors - amounts falling due within one year	12	<u>2,347,383</u>		<u>2,083,085</u>	
Net current liabilities			<u>(158,750)</u>		<u>(145,511)</u>
Total assets less current liabilities			<u>100</u>		<u>100</u>
Capital and reserves					
Called up share capital	13		100		100
Profit and loss account			<u>-</u>		<u>-</u>
			<u>100</u>		<u>100</u>

These Financial Statements have been prepared in accordance with the provisions for small companies under Section 1A of FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The Financial Statements were approved and authorized for issue by the Board of Directors on 26/9/2022 and signed on its behalf by:

John Allott.....Director
John Allott

Robert Price.....Director
Robert Price MBE

Company number: SC055959

The notes on pages 10 to 14 form part of these Financial Statements.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 5 APRIL 2022

1. General information

Plumbing Pensions (UK) Administration Limited is a private company, limited by shares, incorporated in Scotland with registration number SC055959. The registered office is Bellevue House, 22 Hopetoun Street, Edinburgh, EH7 4GH.

2. Basis of preparation

The Financial Statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and in accordance with Section 1A of the Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

3. Going concern

The Financial Statements have been prepared on a going concern basis. The Directors are satisfied that the Company will continue to operate in a manner consistent with its existing operations over the forthcoming year. The Company exists to provide an administrative service to Plumbing & Mechanical Services (UK) Industry Pension Scheme as its sole customer. As such, the entity relies on the Scheme to fund operations. These conditions indicate that a material uncertainty exists and may cast doubt on the Company's ability to continue as a going concern. Attention has been drawn to this in the auditor's report.

4. Accounting policies

The particular accounting policies adopted are described below.

(a) Convention

The Financial Statements have been prepared under the historical cost convention.

(b) Functional currency

The Financial Statements are prepared in sterling, which is the functional and presentational currency of the entity.

(c) Intangible fixed assets and amortisation

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and impairment losses. Amortisation is provided on a straight line basis at the following rates:-

Computer Programmes 15% per annum

All assets purchased in excess of £200 are capitalised.

(d) Tangible fixed assets and depreciation

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 use. Depreciation is provided on a straight line basis at the following rates:-

Computer	25% per annum
Office equipment	25% per annum

All assets purchased in excess of £200 are capitalised.

(e) 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.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 5 APRIL 2022****4. Accounting policies (continued)****(f) Debtors and creditors receivable/payable**

Debtors and creditors receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of comprehensive income in administration expenses.

(g) Income and expenditure recognition

Income arises from the provision of services in respect of the Company's principal activity. It is measured at the fair value of the consideration received or receivable, excluding value added tax, for the provision of such services. Expenditure incurred for the purposes of the Company's principal activity is recognised on an accruals basis.

(h) Employee benefits

The Company participated in a multi-employer defined benefit pension plan in respect of employees until 30 June 2019 when this pension plan was closed to further accrual. The Company's share of the assets and liabilities of the multi-employer scheme cannot be separately identified and therefore any contributions payable are charged to the income and expenditure accounts in the period to which they relate.

The Company also participates in a defined contribution pension plan for the benefit of its employees. Contributions are expensed as they become payable.

5. Turnover

Turnover represents administration, management fees and income received from the Company's single customer, all in the UK.

Turnover includes £3,404,695 (2021: £3,233,887) in respect of the contribution received from the Plumbing and Mechanical Services (UK) Industry Pension Scheme, a scheme which is managed by Plumbing Pensions (UK) Administration Limited. The contribution is equal to the operating result net of any interest received.

6. Operating loss

	2022	2021
	£	£
Operating loss is arrived at after charging:		
Amortisation	38,610	37,505
Depreciation	7,953	4,863
Auditors' Remuneration	<u>10,300</u>	<u>11,755</u>

7. Tax on profit on ordinary activities

As the Company had no taxable profit, no tax provision is necessary. Although the company is chargeable to corporation tax due to the small amount of interest received, its dormant status for HMRC's purposes means that no tax is due. This position was confirmed with HMRC in December 2020.

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 5 APRIL 2022****8. Intangible assets**

	Computer Programmes £	Total £
Cost		
At 6 April 2021	250,034	250,034
Additions	18,905	18,905
At 5 April 2022	<u>268,939</u>	<u>268,939</u>
Amortisation		
At 6 April 2021	115,928	115,928
Charge for the year	38,610	38,610
At 5 April 2022	<u>154,538</u>	<u>154,538</u>
Net Book Value		
At 5 April 2022	<u>114,401</u>	<u>114,401</u>
At 5 April 2021	<u>134,106</u>	<u>134,106</u>

9. Tangible assets

	Computer Equipment £	Office Equipment £	Total £
Cost			
At 6 April 2021	72,248	66,928	139,176
Additions	26,024	14,873	40,897
At 5 April 2022	<u>98,272</u>	<u>81,801</u>	<u>180,073</u>
Depreciation			
At 6 April 2021	60,868	66,803	127,671
Charge for the year	7,125	828	7,953
At 5 April 2022	<u>67,993</u>	<u>67,631</u>	<u>135,624</u>
Net Book Value			
At 5 April 2022	<u>30,279</u>	<u>14,170</u>	<u>44,449</u>
At 5 April 2021	<u>11,380</u>	<u>125</u>	<u>11,505</u>

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 5 APRIL 2022****10. Related party transactions**

SNIFE Management Limited owns the 50 'A' ordinary shares and the Association of Plumbing and Heating Contractors Limited own the 50 'B' ordinary shares.

SNIFE Management Limited and Plumbing Pensions (UK) Administration Limited occupy office space at Bellevue House and share some of the associated expenses. During the year, SNIFE Management Limited recharged expenses totalling £9,471 (2021: £10,993) to Plumbing Pensions (UK) Administration Limited and Plumbing Pensions (UK) Administration Limited recharged expenses totalling £46,058 (2021: £26,012) to SNIFE Management Limited.

The Company pays a service charge to the Federation, Association and Union. During the year this amounted to £159,960 (2021: £146,485). However, at the request of the Union, £30,580 (2021: £32,775) was paid to an individual Director through the Company payroll so the actual service charge paid to the Federation, Association and Union during the year was £129,380 (2021: £113,710). The Company also pays trustee fees to BEST Trustees and KB Independent Trustees Ltd in relation to Alan Pickering and Jon Bridger respectively, Directors of the Company. During the year this amounted to £107,690 (2021: £90,470).

At the year end, a total of £1,272 (2021: £31,928) was due to SNIFE Management Limited, £Nil (2022: £30,294) to the Union and £Nil (2021: £54,090) to the Association (2020: £Nil). £11,449 (2021: £5,644) was due from SNIFE Management Ltd. The amounts are included in trade creditors and trade debtors respectively.

During the year, the Company received £3,404,695 (2021: £3,233,887) from the Plumbing and Mechanical Services (UK) Industry Pension Scheme, a Scheme which is managed by Plumbing Pensions (UK) Administration Limited. At the financial year end £58,479 (2021: £520,660) was due to the Plumbing and Mechanical Services (UK) Industry Pension Scheme for income received in advance. This amount is included within creditors.

11. Debtors

	2022 £	2021 £
Trade debtors	15,347	9,004
Prepayments	272,673	209,212
VAT to be recovered from participating employers of Scheme	1,641,962	1,483,812
VAT recoverable	173,332	178,681
	<u>2,103,314</u>	<u>1,880,709</u>

12. Creditors

	2022 £	2021 £
Trade creditors	366,576	662,839
Accruals	241,588	215,229
Tax and social security	1,680,740	684,357
Due to Plumbing and Mechanical Services (UK) Industry Pension Scheme	58,479	520,660
	<u>2,347,383</u>	<u>2,083,085</u>

PLUMBING PENSIONS (UK) ADMINISTRATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 5 APRIL 2022****13. Share capital**

	2022	2021
	£	£
Authorised		
50 'A' Shares of £1	50	50
50 'B' Shares of £1	50	50
	<u>100</u>	<u>100</u>
Called up, Allotted and Fully Paid		
50 'A' Shares of £1	50	50
50 'B' Shares of £1	50	50
	<u>100</u>	<u>100</u>

14. Pension costs

Certain of the Company's employees are members of the revalued career average defined benefit pension scheme operated by Plumbing and Mechanical Services (UK) Industry Pension Scheme. The Scheme closed to further accrual on 30 June 2019. Following this date, the employees are part of the defined contribution scheme. The pension cost charged to the Profit and Loss Account represents the amount of contributions payable in the year, which amounted to £118,019 (2021: £129,536).

In respect of the defined benefit pension scheme contributions, this cost is incurred at the contribution rates advised by the Scheme Actuary in the valuation as at 5 April 2020. During the year there was no pension cost for the defined benefit scheme.

The actuarial valuation as at 5 April 2020 has been completed, and shows that on a 'low-dependency' basis the Scheme's assets are enough to cover 99% of the Scheme's liabilities. The Scheme's Recovery Plan does not require employers to pay deficit reduction contributions. Instead, assumed investment out-performance of the Scheme's assets, relative to the prudent discount rate used for the Scheme's technical provisions, is expected to remove the funding shortfall by November 2027. It is not possible to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers as the Scheme is a multi-employer scheme where the Scheme assets are co-mingled for investment purposes and benefits are paid from total scheme assets and as such the contributions to the defined benefit scheme are accounted for as if it was a defined contribution arrangement.

The Company also participated in a defined contribution scheme in respect of its employees from June 2019. The assets of the Scheme are held separately from those of the Company. The pension cost charge in relation to this scheme represents the amount of contributions payable to the Scheme in respect of the period.

15. Salary costs

	2022	2021
	£	£
Salary costs	755,320	721,116
National Insurance contributions	73,148	64,746
Employer pension contributions	118,019	129,536
	<u>946,487</u>	<u>915,398</u>

Average number of persons employed 22 (2021: 21).