

**GROUP STRATEGIC REPORT,
REPORT OF THE DIRECTORS AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
FOR
GCC FACILITIES MANAGEMENT PLC**

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FOR THE YEAR ENDED 31 MARCH 2020**

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GCC FACILITIES MANAGEMENT PLC

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 2020**

DIRECTORS:
C M Maclean
R Luckman
G Whittle
S M J Hooley

SECRETARY:
C M Maclean

REGISTERED OFFICE:
8-10 High Street
Sutton
Surrey
SM1 1HN

REGISTERED NUMBER:
01203036 (England and Wales)

AUDITORS:
Myrus Smith
Chartered Accountants & Statutory Auditor
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2020**

The directors present their strategic report of the Company and the Group for the year ended 31 March 2020.

GCC's strategic vision is to deliver a range of bespoke facilities management services throughout the UK which meets our customer's requirements and with a customer service level which exceeds their expectations.

GCC have raised the profile of our customers and provide a national reactive service, planned and preventative maintenance, water management and legionella through its expanding mobile team. This has had take up with larger multi-site organisations, where we provide daily cleaning as our long standing core business model.

GCC is recognised within the industry for contract longevity and consistent solid management support through the development of our staff, systems and processes. We have achieved various accreditations including ISO 9001 Quality Management, ISO 14001 Environmental Management and ISO45001 Occupational Health and Safety. We are also a Corporate members of the British Institute of Cleaning Science and hold industry accreditations such as Safecontractor, Constructionline and Altius. This gives our customers confidence in our underlying processes and systems that aim to deliver an effective, efficient and quality service.

Turnover increased 13.09% to £10,286,171 (FY2019 £9,095,250) and gross profit has increased 8.09% to £2,850,758 (FY2019 £2,637,411). Gross profit margin has marginally decreased to 27.7% (FY2019 29.0%).

Administration expenses, as expected have increased by 12.32% to £2,811,289 (FY2019 £2,502,968). This includes an amortisation charge of £Nil (FY2019 £20,684) and depreciation of £84,920 (FY2019 £56,089).

An Operating Profit of £39,469 arose in the year (FY2019 £134,443).

Working capital cash requirements are very well managed and the cash position has increased by £918,701 during the year to £1,280,518 (FY2019 £361,818). Our cash generated from operations has decreased to £65,389 (FY2019 £210,216).

The Group's liquidity position has marginally decreased to 1.73:1 (FY2019 1.76:1). The Group enters the new year on a solid foundation well poised to fulfil its strategic vision.

ON BEHALF OF THE BOARD:

C M Maclean - Director

26 January 2021

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2020**

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

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2020.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2019 to the date of this report.

C M Maclean
R Luckman
G Whittle

Other changes in directors holding office are as follows:

S M J Hooley was appointed as a director after 31 March 2020 but prior to the date of this report.

POLICY ON THE PAYMENT OF CREDITORS

It is the company's policy in respect of the majority of its creditors;

- to settle the terms of payment with those suppliers when agreeing the terms of each transaction
- to ensure that those suppliers are made aware of the terms of payment and
- to abide by the terms of payment.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2020**

AUDITORS

The auditors, Myrus Smith, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

C M Maclean - Director

26 January 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GCC FACILITIES MANAGEMENT PLC

Opinion

We have audited the financial statements of GCC Facilities Management Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2020 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF GCC FACILITIES MANAGEMENT PLC

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
for and on behalf of Myrus Smith
Chartered Accountants & Statutory Auditor
Norman House
8 Burnell Road
Sutton
Surrey
SM1 4BW

27 January 2021

**CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
TURNOVER		10,286,171	9,095,250
Cost of sales		<u>7,435,413</u>	<u>6,457,840</u>
GROSS PROFIT		2,850,758	2,637,410
Administrative expenses		<u>2,811,289</u>	<u>2,502,967</u>
OPERATING PROFIT	4	39,469	134,443
Interest receivable and similar income		<u>95</u>	<u>6</u>
		39,564	134,449
Interest payable and similar expenses	5	<u>4,572</u>	<u>3,826</u>
PROFIT BEFORE TAXATION		34,992	130,623
Tax on profit	6	<u>32,406</u>	<u>9,301</u>
PROFIT FOR THE FINANCIAL YEAR		<u>2,586</u>	<u>121,322</u>
Profit attributable to: Owners of the parent		<u>2,586</u>	<u>121,322</u>

The notes form part of these financial statements

**CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
PROFIT FOR THE YEAR		2,586	121,322
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>2,586</u>	<u>121,322</u>
Total comprehensive income attributable to: Owners of the parent		<u>2,586</u>	<u>121,322</u>

CONSOLIDATED BALANCE SHEET
31 MARCH 2020

		2020		2019	
	Notes	£	£	£	£
FIXED ASSETS					
Intangible assets	8	-	-	-	-
Tangible assets	9	145,672		184,979	
Investments	10	-	-	-	-
		<u>145,672</u>		<u>184,979</u>	
CURRENT ASSETS					
Debtors	11	1,685,794	2,097,763		
Cash at bank and in hand		<u>1,280,518</u>	<u>361,817</u>		
		2,966,312	2,459,580		
CREDITORS					
Amounts falling due within one year	12	<u>1,719,403</u>	<u>1,400,272</u>		
NET CURRENT ASSETS			<u>1,246,909</u>		<u>1,059,308</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,392,581		1,244,287
CREDITORS					
Amounts falling due after more than one year	13		<u>203,601</u>		<u>57,893</u>
NET ASSETS			<u>1,188,980</u>		<u>1,186,394</u>
CAPITAL AND RESERVES					
Called up share capital	15	65,000		65,000	
Retained earnings	16	<u>1,123,980</u>		<u>1,121,394</u>	
SHAREHOLDERS' FUNDS		<u>1,188,980</u>		<u>1,186,394</u>	

The financial statements were approved by the Board of Directors and authorised for issue on 26 January 2021 and were signed on its behalf by:

C M Maclean - Director

COMPANY BALANCE SHEET
31 MARCH 2020

	Notes	2020 £	£	2019 £	£
FIXED ASSETS					
Intangible assets	8		-		-
Tangible assets	9		130,093		184,979
Investments	10		<u>1</u>		<u>1</u>
			130,094		184,980
CURRENT ASSETS					
Debtors	11	1,123,943		1,671,612	
Cash at bank and in hand		<u>815,052</u>		<u>200,700</u>	
		1,938,995		1,872,312	
CREDITORS					
Amounts falling due within one year	12	<u>1,652,595</u>		<u>1,337,795</u>	
NET CURRENT ASSETS			<u>286,400</u>		<u>534,517</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			416,494		719,497
CREDITORS					
Amounts falling due after more than one year	13		<u>42,201</u>		<u>57,893</u>
NET ASSETS			<u>374,293</u>		<u>661,604</u>
CAPITAL AND RESERVES					
Called up share capital	15		65,000		65,000
Retained earnings	16		<u>309,293</u>		<u>596,604</u>
SHAREHOLDERS' FUNDS			<u>374,293</u>		<u>661,604</u>
Company's loss for the financial year			<u>(287,311)</u>		<u>(140,832)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 26 January 2021 and were signed on its behalf by:

C M Maclean - Director

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2018	65,000	1,000,072	1,065,072
Changes in equity			
Total comprehensive income	-	121,322	121,322
Balance at 31 March 2019	65,000	1,121,394	1,186,394
Changes in equity			
Total comprehensive income	-	2,586	2,586
Balance at 31 March 2020	65,000	1,123,980	1,188,980

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 April 2018	65,000	737,436	802,436
Changes in equity			
Total comprehensive income	-	(140,832)	(140,832)
Balance at 31 March 2019	65,000	596,604	661,604
Changes in equity			
Total comprehensive income	-	(287,311)	(287,311)
Balance at 31 March 2020	65,000	309,293	374,293

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	1,039,801	(15,476)
Interest paid		-	(165)
Interest element of hire purchase payments paid		(4,572)	(3,661)
Tax paid		(9,301)	(20,300)
Net cash from operating activities		<u>1,025,928</u>	<u>(39,602)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(45,613)	(142,543)
Sale of tangible fixed assets		-	1,000
Interest received		95	6
Net cash from investing activities		<u>(45,518)</u>	<u>(141,537)</u>
Cash flows from financing activities			
Capital repayments in year		<u>(61,709)</u>	<u>82,187</u>
Net cash from financing activities		<u>(61,709)</u>	<u>82,187</u>
Increase/(decrease) in cash and cash equivalents		<u>918,701</u>	<u>(98,952)</u>
Cash and cash equivalents at beginning of year	2	361,817	460,769
Cash and cash equivalents at end of year	2	<u>1,280,518</u>	<u>361,817</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

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

	2020 £	2019 £
Profit before taxation	34,992	130,623
Depreciation charges	84,920	76,774
Profit on disposal of fixed assets	-	(1,000)
Finance costs	4,572	3,826
Finance income	(95)	(6)
	<u>124,389</u>	<u>210,217</u>
Decrease in stocks	-	1,703
Decrease/(increase) in trade and other debtors	411,969	(629,238)
Increase in trade and other creditors	<u>503,443</u>	<u>401,842</u>
Cash generated from operations	<u>1,039,801</u>	<u>(15,476)</u>

2. CASH AND CASH EQUIVALENTS

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

Year ended 31 March 2020

	31.3.20 £	1.4.19 £
Cash and cash equivalents	<u>1,280,518</u>	<u>361,817</u>

Year ended 31 March 2019

	31.3.19 £	1.4.18 £
Cash and cash equivalents	<u>361,817</u>	<u>460,769</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.19 £	Cash flow £	At 31.3.20 £
Net cash			
Cash at bank and in hand	<u>361,817</u>	<u>918,701</u>	<u>1,280,518</u>
	<u>361,817</u>	<u>918,701</u>	<u>1,280,518</u>
Debt			
Finance leases	<u>(119,602)</u>	<u>61,709</u>	<u>(57,893)</u>
	<u>(119,602)</u>	<u>61,709</u>	<u>(57,893)</u>
Total	<u>242,215</u>	<u>980,410</u>	<u>1,222,625</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. STATUTORY INFORMATION

GCC Facilities Management Plc is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax.

Goodwill

Purchased goodwill is amortised on a straight line basis over its estimated useful economic life of ten years as shown in the note to intangible fixed assets.

Goodwill purchased after 1 April 2010 is amortised on a straight line basis over its estimated useful economic life of three years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Fixtures, fittings and office equipment	- 15% on reducing balance
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Pension costs and other post-retirement benefits

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

3. EMPLOYEES AND DIRECTORS

	2020 £	2019 £
Wages and salaries	3,098,403	2,459,460
Social security costs	217,192	163,135
Other pension costs	116,094	70,972
	<u>3,431,689</u>	<u>2,693,567</u>

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

	2020	2019
Management,sales,admin and cleaning	<u>274</u>	<u>275</u>

	2020 £	2019 £
Directors' remuneration	449,158	455,608
Directors' pension contributions to money purchase schemes	<u>72,985</u>	<u>45,578</u>

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

	2020	2019
Money purchase schemes	<u>3</u>	<u>3</u>

Information regarding the highest paid director is as follows:

	2020 £	2019 £
Emoluments etc	316,462	268,782
Pension contributions to money purchase schemes	<u>39,001</u>	<u>7,507</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020
4. OPERATING PROFIT

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

	2020	2019
	£	£
Depreciation - owned assets	28,197	17,301
Depreciation - assets on hire purchase contracts	56,723	38,788
Profit on disposal of fixed assets	-	(1,000)
Goodwill amortisation	-	20,684
Auditors' remuneration	8,495	7,510
Auditors' remuneration for non audit work	1,180	1,140
Other operating lease rentals	<u>262,374</u>	<u>203,965</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Other interest	-	165
Hire purchase interest	<u>4,572</u>	<u>3,661</u>
	<u>4,572</u>	<u>3,826</u>

6. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2020	2019
	£	£
Current tax:		
UK corporation tax	<u>32,406</u>	<u>9,301</u>
Tax on profit	<u>32,406</u>	<u>9,301</u>

UK corporation tax has been charged at 19% .

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020
6. TAXATION - continued**Reconciliation of total tax charge included in profit and loss**

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

	2020 £	2019 £
Profit before tax	<u>34,992</u>	<u>130,623</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	6,648	24,818
Effects of:		
Expenses/(income) not deductible for tax purposes	18,903	1,676
Capital allowances in excess of depreciation	(2,960)	(17,193)
Depreciation in excess of Capital Allowances previous year	9,815	-
Total tax charge	<u>32,406</u>	<u>9,301</u>

7. INDIVIDUAL INCOME STATEMENT

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

8. INTANGIBLE FIXED ASSETS**Group****COST**

At 1 April 2019
and 31 March 2020

AMORTISATION

At 1 April 2019
and 31 March 2020

NET BOOK VALUE

At 31 March 2020

At 31 March 2019

Goodwill
£

399,578

399,578

-

-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

8. INTANGIBLE FIXED ASSETS - continued

Company

Goodwill
£**COST**At 1 April 2019
and 31 March 2020374,530**AMORTISATION**At 1 April 2019
and 31 March 2020374,530**NET BOOK VALUE**

At 31 March 2020

-

At 31 March 2019

-

9. TANGIBLE FIXED ASSETS

Group

	Plant and machinery £	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2019	97,157	149,259	77,935	142,378	466,729
Additions	<u>1,952</u>	<u>11,491</u>	<u>-</u>	<u>32,170</u>	<u>45,613</u>
At 31 March 2020	<u>99,109</u>	<u>160,750</u>	<u>77,935</u>	<u>174,548</u>	<u>512,342</u>
DEPRECIATION					
At 1 April 2019	17,735	127,690	49,789	86,536	281,750
Charge for year	<u>30,798</u>	<u>4,418</u>	<u>25,979</u>	<u>23,725</u>	<u>84,920</u>
At 31 March 2020	<u>48,533</u>	<u>132,108</u>	<u>75,768</u>	<u>110,261</u>	<u>366,670</u>
NET BOOK VALUE					
At 31 March 2020	<u>50,576</u>	<u>28,642</u>	<u>2,167</u>	<u>64,287</u>	<u>145,672</u>
At 31 March 2019	<u>79,422</u>	<u>21,569</u>	<u>28,146</u>	<u>55,842</u>	<u>184,979</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

9. TANGIBLE FIXED ASSETS - continued

Group

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2019	92,232	77,935	170,167
Transfer to ownership	-	(77,935)	(77,935)
At 31 March 2020	<u>92,232</u>	<u>-</u>	<u>92,232</u>
DEPRECIATION			
At 1 April 2019	12,810	49,789	62,599
Charge for year	30,744	25,979	56,723
Transfer to ownership	-	(75,768)	(75,768)
At 31 March 2020	<u>43,554</u>	<u>-</u>	<u>43,554</u>
NET BOOK VALUE			
At 31 March 2020	<u>48,678</u>	<u>-</u>	<u>48,678</u>
At 31 March 2019	<u>79,422</u>	<u>28,146</u>	<u>107,568</u>

Company

	Plant and machinery £	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2019	97,157	149,259	77,935	142,378	466,729
Additions	1,952	11,491	-	13,167	26,610
At 31 March 2020	<u>99,109</u>	<u>160,750</u>	<u>77,935</u>	<u>155,545</u>	<u>493,339</u>
DEPRECIATION					
At 1 April 2019	17,735	127,690	49,789	86,536	281,750
Charge for year	30,798	4,418	25,979	20,301	81,496
At 31 March 2020	<u>48,533</u>	<u>132,108</u>	<u>75,768</u>	<u>106,837</u>	<u>363,246</u>
NET BOOK VALUE					
At 31 March 2020	<u>50,576</u>	<u>28,642</u>	<u>2,167</u>	<u>48,708</u>	<u>130,093</u>
At 31 March 2019	<u>79,422</u>	<u>21,569</u>	<u>28,146</u>	<u>55,842</u>	<u>184,979</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

9. TANGIBLE FIXED ASSETS - continued

Company

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
COST			
At 1 April 2019	92,232	77,935	170,167
Transfer to ownership	-	(77,935)	(77,935)
At 31 March 2020	<u>92,232</u>	<u>-</u>	<u>92,232</u>
DEPRECIATION			
At 1 April 2019	12,810	49,789	62,599
Charge for year	30,744	25,979	56,723
Transfer to ownership	-	(75,768)	(75,768)
At 31 March 2020	<u>43,554</u>	<u>-</u>	<u>43,554</u>
NET BOOK VALUE			
At 31 March 2020	<u>48,678</u>	<u>-</u>	<u>48,678</u>
At 31 March 2019	<u>79,422</u>	<u>28,146</u>	<u>107,568</u>

10. FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1 April 2019 and 31 March 2020	<u>1</u>
NET BOOK VALUE	
At 31 March 2020	<u>1</u>
At 31 March 2019	<u>1</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

10. FIXED ASSET INVESTMENTS - continued

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

Subsidiary**GCC Direct Limited**

Registered office: United Kingdom

Nature of business: Cleaning services

Class of shares:	% holding	2020	2019
Ordinary	100.00	£	£
Aggregate capital and reserves		814,687	524,791
Profit for the year		<u>289,896</u>	<u>262,154</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade debtors	1,496,051	1,911,205	955,703	1,495,927
Other debtors	58,784	56,351	52,536	53,578
Directors' loan accounts	76,157	76,157	76,157	76,157
Prepayments and accrued income	54,802	54,050	39,547	45,950
	<u>1,685,794</u>	<u>2,097,763</u>	<u>1,123,943</u>	<u>1,671,612</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Hire purchase contracts (see note 14)	15,692	61,709	15,692	61,709
Trade creditors	536,918	574,982	482,436	561,340
Tax	32,406	9,301	-	-
Social security and other taxes	451,015	361,603	266,823	219,874
Other creditors	20,514	13,577	11,628	9,664
Intercompany account	-	-	491,533	107,108
Accruals and deferred income	662,858	379,100	384,483	378,100
	<u>1,719,403</u>	<u>1,400,272</u>	<u>1,652,595</u>	<u>1,337,795</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Hire purchase contracts (see note 14)	42,201	57,893	42,201	57,893
Accruals and deferred income	161,400	-	-	-
	<u>203,601</u>	<u>57,893</u>	<u>42,201</u>	<u>57,893</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2020	2019
	£	£
Gross obligations repayable:		
Within one year	18,259	66,281
Between one and five years	42,605	60,864
	<u>60,864</u>	<u>127,145</u>
Finance charges repayable:		
Within one year	2,567	4,572
Between one and five years	404	2,971
	<u>2,971</u>	<u>7,543</u>
Net obligations repayable:		
Within one year	15,692	61,709
Between one and five years	42,201	57,893
	<u>57,893</u>	<u>119,602</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

14. LEASING AGREEMENTS - continued

Company

	Hire purchase contracts	
	2020	2019
	£	£
Gross obligations repayable:		
Within one year	18,259	66,281
Between one and five years	<u>42,605</u>	<u>60,864</u>
	<u>60,864</u>	<u>127,145</u>
Finance charges repayable:		
Within one year	2,567	4,572
Between one and five years	<u>404</u>	<u>2,971</u>
	<u>2,971</u>	<u>7,543</u>
Net obligations repayable:		
Within one year	15,692	61,709
Between one and five years	<u>42,201</u>	<u>57,893</u>
	<u>57,893</u>	<u>119,602</u>

Group

	Non-cancellable	operating leases
	2020	2019
	£	£
Within one year	92,176	83,610
Between one and five years	<u>320,146</u>	<u>433,747</u>
	<u>412,322</u>	<u>517,357</u>

Company

	Non-cancellable	operating leases
	2020	2019
	£	£
Within one year	92,176	83,610
Between one and five years	<u>320,146</u>	<u>433,747</u>
	<u>412,322</u>	<u>517,357</u>

15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2020	2019
Number:	Class:		£	£
65,000	Ordinary	£1	<u>65,000</u>	<u>65,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

16. RESERVES

Group

	Retained earnings £
At 1 April 2019	1,121,394
Profit for the year	2,586
At 31 March 2020	<u>1,123,980</u>

Company

	Retained earnings £
At 1 April 2019	596,604
Deficit for the year	(287,311)
At 31 March 2020	<u>309,293</u>

17. RELATED PARTY DISCLOSURES

Details of related party transactions occurring during the year are as follows:

Related party	Details	Amount £	Balance £
2020			
C A Maclean	Loan from the company	-	76,157
2019			
C A Maclean	Loan from the company	-	76,157

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