

Strategic Report, Report of the Director and  
Financial Statements for the Year Ended 31 July 2020  
for  
European Active Projects Limited

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for the Year Ended 31 July 2020

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**DIRECTOR:**

S M Jones

**SECRETARY:**

Aldbury Secretaries Limited

**REGISTERED OFFICE:**

Berth 5 Chatham Docks  
Gillingham Gate  
Chatham  
Kent  
ME4 4SW

**REGISTERED NUMBER:**

05447028 (England and Wales)

**AUDITORS:**

Hills Accountants (Oakham) Limited  
65 Deans Street  
Oakham  
Rutland  
LE15 6AF

Strategic Report  
for the Year Ended 31 July 2020

The director presents his strategic report for the year ended 31 July 2020.

**REVIEW OF BUSINESS**

The results for the year are set out on page 7 of the financial statements. During the year ended 31 July 2020, the company saw an increase in turnover compared to 31 July 2019, with turnover for the year being £18,926,272 (2019 £16,200,768)

The management has adapted quickly to the Coronavirus pandemic, as most other businesses this has been the largest factor in the business of 2020 and indeed moving into 2021. The team implemented a Coronavirus Recovery Plan under the first lockdown, saving cash, furloughing staff and reducing costs significantly. The impact although large has allowed the company to maintain its profitability and move strongly through the next financial year.

Results would have been much stronger without the pandemic but there is good satisfaction in the management and support it has given and received from all stakeholders involved, Customers, Suppliers, Employees, Government and the wider stakeholder community.

Health and Safety continues to be a strong priority within the company and was unaffected through Covid with no initiatives stopped and investment continuing along agreed lines.

The company is in a good robust state with a strong balance sheet making continuing contingencies against Covid and its impacts, it remains a good going concern.

In the opinion of the directors the uncomplicated nature of the company's business does not warrant an analysis of KPI's to fully understand the company's development, performance or position.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company seeks to broaden its customer base and capabilities to limit its exposure to changes in demand. The principal challenge is to remain competitive in a global market place with continual increase in material costs. The directors have maintained a policy of investment to continually improve productivity and to manage its commercial pricing to ensure minimal exposure, whilst remaining competitive.

**ON BEHALF OF THE BOARD:**

S M Jones - Director

30 April 2021

Report of the Director  
for the Year Ended 31 July 2020

The director presents his report with the financial statements of the company for the year ended 31 July 2020.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of support services to the marine and industrial sectors.

**DIVIDENDS**

Interim dividends per share were paid as follows:

£236.8962	- 17 January 2020
£1,763.1038	- 30 April 2020
<u>£2,000</u>	

The director recommends that no final dividend be paid.

The total distribution of dividends for the year ended 31 July 2020 will be £ 100,000 .

**FUTURE DEVELOPMENTS**

With difficult trading conditions expected globally the business looks to operate as efficiently as possible and be pro active with current customers as well as aiming to develop relationships with new customers.

**DIRECTOR**

S M Jones held office during the whole of the period from 1 August 2019 to the date of this report.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that 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 auditors are aware of that information.

**AUDITORS**

The auditors, Hills Accountants (Oakham) Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

S M Jones - Director

30 April 2021

### **Opinion**

We have audited the financial statements of European Active Projects Limited (the 'company') for the year ended 31 July 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the 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 company's affairs as at 31 July 2020 and of its 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 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.

### **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 director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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 director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, 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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

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, 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of director**

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has 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](http://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.

Mr Lee James Hills (Senior Statutory Auditor)  
for and on behalf of Hills Accountants (Oakham) Limited  
65 Deans Street  
Oakham  
Rutland  
LE15 6AF

30 April 2021



Income Statement  
for the Year Ended 31 July 2020

	Notes	31.7.20 £	31.7.19 £
<b>TURNOVER</b>	3	18,926,272	16,200,768
Cost of sales		<u>14,101,518</u>	<u>12,099,531</u>
<b>GROSS PROFIT</b>		4,824,754	4,101,237
Administrative expenses		<u>4,772,369</u>	<u>3,898,954</u>
		52,385	202,283
Other operating income		<u>130,706</u>	<u>-</u>
<b>OPERATING PROFIT</b>	5	183,091	202,283
Interest payable and similar expenses	6	<u>1,086</u>	<u>1,407</u>
<b>PROFIT BEFORE TAXATION</b>		182,005	200,876
Tax on profit	7	<u>(45,803)</u>	<u>(18,598)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>227,808</u>	<u>219,474</u>

The notes form part of these financial statements

Other Comprehensive Income  
for the Year Ended 31 July 2020

	Notes	31.7.20 £	31.7.19 £
<b>PROFIT FOR THE YEAR</b>		227,808	219,474
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME</b>			
<b>FOR THE YEAR</b>		<u>227,808</u>	<u>219,474</u>

**Balance Sheet**  
**31 July 2020**

	Notes	31.7.20 £	£	31.7.19 £	£
<b>FIXED ASSETS</b>					
Tangible assets	9		374,182		340,950
Investments	10		<u>1</u>		<u>-</u>
			374,183		340,950
<b>CURRENT ASSETS</b>					
Stocks	11	979,937		687,197	
Debtors	12	3,228,515		2,811,703	
Cash at bank and in hand		<u>137,882</u>		<u>39,252</u>	
		4,346,334		3,538,152	
<b>CREDITORS</b>					
Amounts falling due within one year	13	<u>3,614,971</u>		<u>2,895,369</u>	
<b>NET CURRENT ASSETS</b>			<u>731,363</u>		<u>642,783</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			1,105,546		983,733
<b>CREDITORS</b>					
Amounts falling due after more than one year	14		<u>19,322</u>		<u>25,317</u>
<b>NET ASSETS</b>			<u>1,086,224</u>		<u>958,416</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	19		50		50
Revaluation reserve	20		180,353		180,353
Retained earnings	20		<u>905,821</u>		<u>778,013</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,086,224</u>		<u>958,416</u>

The financial statements were approved by the director and authorised for issue on 30 April 2021 and were signed by:

S M Jones - Director

Statement of Changes in Equity  
for the Year Ended 31 July 2020

	Called up share capital £	Retained earnings £	Revaluation reserve £	Total equity £
<b>Balance at 1 August 2018</b>	50	558,539	180,353	738,942
<b>Changes in equity</b>				
Total comprehensive income	-	219,474	-	219,474
<b>Balance at 31 July 2019</b>	50	778,013	180,353	958,416
<b>Changes in equity</b>				
Dividends	-	(100,000)	-	(100,000)
Total comprehensive income	-	227,808	-	227,808
<b>Balance at 31 July 2020</b>	50	905,821	180,353	1,086,224

**Cash Flow Statement**  
**for the Year Ended 31 July 2020**

	Notes	31.7.20 £	31.7.19 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,611,815	(36,117)
Interest element of hire purchase payments paid		(1,086)	(1,407)
Tax paid		37,316	12,033
Net cash from operating activities		<u>1,648,045</u>	<u>(25,491)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(155,889)	(24,473)
Purchase of fixed asset investments		(1)	-
Sale of tangible fixed assets		200	475
Net cash from investing activities		<u>(155,690)</u>	<u>(23,998)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(5,995)	(6,665)
Equity dividends paid		(100,000)	-
Net cash from financing activities		<u>(105,995)</u>	<u>(6,665)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>1,386,360</u>	<u>(56,154)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(1,847,535)	(1,791,381)
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(461,175)</u></u>	<u><u>(1,847,535)</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 July 2020

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

	31.7.20	31.7.19
	£	£
Profit before taxation	182,005	200,876
Depreciation charges	117,903	104,103
Loss on disposal of fixed assets	4,553	6,099
Finance costs	1,086	1,407
	<u>305,547</u>	<u>312,485</u>
Increase in stocks	(292,740)	(124,047)
(Increase)/decrease in trade and other debtors	(416,812)	360,827
Increase/(decrease) in trade and other creditors	<u>2,015,820</u>	<u>(585,382)</u>
<b>Cash generated from operations</b>	<b><u>1,611,815</u></b>	<b><u>(36,117)</u></b>

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 July 2020**

	31.7.20	1.8.19
	£	£
Cash and cash equivalents	137,882	39,252
Bank overdrafts	<u>(599,057)</u>	<u>(1,886,787)</u>
	<b><u>(461,175)</u></b>	<b><u>(1,847,535)</u></b>

**Year ended 31 July 2019**

	31.7.19	1.8.18
	£	£
Cash and cash equivalents	39,252	49,880
Bank overdrafts	<u>(1,886,787)</u>	<u>(1,841,261)</u>
	<b><u>(1,847,535)</u></b>	<b><u>(1,791,381)</u></b>

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.8.19	Cash flow	At 31.7.20
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	39,252	98,630	137,882
Bank overdrafts	<u>(1,886,787)</u>	<u>1,287,730</u>	<u>(599,057)</u>
	<b><u>(1,847,535)</u></b>	<b><u>1,386,360</u></b>	<b><u>(461,175)</u></b>
<b>Debt</b>			
Finance leases	<u>(33,312)</u>	<u>5,995</u>	<u>(27,317)</u>
	<b><u>(33,312)</u></b>	<b><u>5,995</u></b>	<b><u>(27,317)</u></b>
<b>Total</b>	<b><u>(1,880,847)</u></b>	<b><u>1,392,355</u></b>	<b><u>(488,492)</u></b>

Notes to the Financial Statements  
for the Year Ended 31 July 2020

1. **STATUTORY INFORMATION**

European Active Projects Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company 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.

**Going concern**

The directors have prepared forecasts for the company for a period greater than 12 months from the date of approval of these financial statements. The forecasts take into account known changes in the trading environment, performance, ongoing COVID-19 pandemic and funding requirements during that period.

After making enquiries, the directors have a reasonable expectation that the company has sufficient funds to meet its liabilities as they fall due, allowing the business to continue in operational existence for the foreseeable future. Accordingly, the company continues to adopt the going concern basis of preparing the financial statements.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

**Tangible fixed assets**

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

Short leasehold	- 10% on cost
Plant and machinery	- 20% on cost
Motor vehicles	- 25% on cost

**Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised 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.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

Basic financial assets, including trade and other debtors, cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted assets original effective interest rate. The impairment loss is recognised in profit or loss.

Basis financial liabilities, including trade and other creditors, and bank loans are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the 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.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

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



Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

3. **TURNOVER**

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

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

	31.7.20	31.7.19
	£	£
Rendering of services	18,926,272	16,200,768
	<u>18,926,272</u>	<u>16,200,768</u>

The analysis of turnover by geographical markets has not been provided as, in the opinion of the directors such disclosure would be seriously prejudicial to the interests of the company.

4. **EMPLOYEES AND DIRECTORS**

	31.7.20	31.7.19
	£	£
Wages and salaries	2,615,017	2,630,686
Social security costs	289,630	292,457
Other pension costs	106,188	119,955
	<u>3,010,835</u>	<u>3,043,098</u>

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

	31.7.20	31.7.19
Production	43	45
Administration	<u>19</u>	<u>19</u>
	<u>62</u>	<u>64</u>

	31.7.20	31.7.19
	£	£
Director's remuneration	327,000	324,000
Director's pension contributions to money purchase schemes	<u>48,000</u>	<u>72,197</u>

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

	31.7.20	31.7.19
Money purchase schemes	<u>1</u>	<u>1</u>

Information regarding the highest paid director is as follows:

	31.7.20	31.7.19
	£	£
Emoluments etc	327,000	324,000
Pension contributions to money purchase schemes	<u>48,000</u>	<u>72,197</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

5. **OPERATING PROFIT**

The operating profit is stated after charging:

	31.7.20	31.7.19
	£	£
Equipment hire	263,236	271,967
Other operating leases	131,806	150,744
Depreciation - owned assets	117,904	104,103
Loss on disposal of fixed assets	4,553	6,099
Auditors' remuneration	8,750	8,750
Government grants	<u>130,706</u>	<u>-</u>

Government grants represent amounts received in respect of 'Coronavirus Job Retention Scheme'. The company has not directly benefited from any other forms of government assistance.

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	31.7.20	31.7.19
	£	£
Hire purchase	<u>1,086</u>	<u>1,407</u>

7. **TAXATION**

**Analysis of the tax credit**

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

	31.7.20	31.7.19
	£	£
Current tax:		
UK corporation tax	<u>(45,803)</u>	<u>(18,598)</u>
Tax on profit	<u>(45,803)</u>	<u>(18,598)</u>

**Reconciliation of total tax credit included in profit and loss**

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

	31.7.20	31.7.19
	£	£
Profit before tax	<u>182,005</u>	<u>200,876</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	34,581	38,166
Effects of:		
Income not taxable for tax purposes	570	570
Depreciation in excess of capital allowances	8,909	13,545
Research and development credit	<u>(89,863)</u>	<u>(70,879)</u>
Total tax credit	<u>(45,803)</u>	<u>(18,598)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

8. **DIVIDENDS**

	31.7.20	31.7.19
	£	£
Ordinary shares of £1 each		
Interim	<u>100,000</u>	<u>-</u>

9. **TANGIBLE FIXED ASSETS**

	Short leasehold £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>				
At 1 August 2019	406,216	241,895	92,363	740,474
Additions	77,452	65,147	13,290	155,889
Disposals	-	-	(14,010)	(14,010)
At 31 July 2020	<u>483,668</u>	<u>307,042</u>	<u>91,643</u>	<u>882,353</u>
<b>DEPRECIATION</b>				
At 1 August 2019	175,289	145,128	79,107	399,524
Charge for year	48,367	61,424	8,113	117,904
Eliminated on disposal	-	-	(9,257)	(9,257)
At 31 July 2020	<u>223,656</u>	<u>206,552</u>	<u>77,963</u>	<u>508,171</u>
<b>NET BOOK VALUE</b>				
At 31 July 2020	<u>260,012</u>	<u>100,490</u>	<u>13,680</u>	<u>374,182</u>
At 31 July 2019	<u>230,927</u>	<u>96,767</u>	<u>13,256</u>	<u>340,950</u>

The net book value of tangible fixed assets included £31,982 (2019 £39,977) in respect of assets held under hire purchase contracts.

10. **FIXED ASSET INVESTMENTS**

	Shares in group undertakings £
<b>COST</b>	
Additions	<u>1</u>
At 31 July 2020	<u>1</u>
<b>NET BOOK VALUE</b>	
At 31 July 2020	<u>1</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

10. **FIXED ASSET INVESTMENTS - continued**

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

**Pier Rigging and Testing Limited**

Registered office: Berth 5 Chatham Docks, Gillingham Gate, Chatham, Kent, United Kingdom

Nature of business: Manufacture of lifting and handling equipment

Class of shares:	% holding		
Ordinary	100.00	30.9.19	30.9.18
		£	£
Aggregate capital and reserves		3,060	9,724
(Loss)/profit for the year		<u>(6,664)</u>	<u>6,189</u>

11. **STOCKS**

	31.7.20	31.7.19
	£	£
Stocks	352,352	232,197
Work-in-progress	<u>627,585</u>	<u>455,000</u>
	<u>979,937</u>	<u>687,197</u>

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

	31.7.20	31.7.19
	£	£
Trade debtors	3,029,966	2,726,595
Amounts owed by group undertakings	15,000	-
Other debtors	183,549	79,790
VAT	-	5,318
	<u>3,228,515</u>	<u>2,811,703</u>

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.20	31.7.19
	£	£
Bank loans and overdrafts (see note 15)	599,057	1,886,787
Hire purchase contracts (see note 16)	7,995	7,995
Trade creditors	1,305,353	426,214
Tax	44,060	52,547
Social security and other taxes	1,600,107	507,576
Other creditors	44,149	-
Accrued expenses	<u>14,250</u>	<u>14,250</u>
	<u>3,614,971</u>	<u>2,895,369</u>

14. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.7.20	31.7.19
	£	£
Hire purchase contracts (see note 16)	<u>19,322</u>	<u>25,317</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

15. **LOANS**

An analysis of the maturity of loans is given below:

	31.7.20 £	31.7.19 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>599,057</u>	<u>1,886,787</u>

16. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	31.7.20 £	31.7.19 £
Net obligations repayable:		
Within one year	7,995	7,995
Between one and five years	<u>19,322</u>	<u>25,317</u>
	<u>27,317</u>	<u>33,312</u>
	Non-cancellable operating leases	
	31.7.20 £	31.7.19 £
Within one year	239,572	238,625
Between one and five years	338,838	485,569
In more than five years	<u>1,667</u>	<u>9,625</u>
	<u>580,077</u>	<u>733,819</u>

17. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.7.20 £	31.7.19 £
Factoring account	<u>599,057</u>	<u>1,886,787</u>

Included in 'Bank loans and overdrafts' is an amount of £599,057 (2019 £1,886,787) owing to a debt factoring company which is secured against the trade debtors of the company.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

18. FINANCIAL INSTRUMENTS

	31.7.20 £	31.7.19 £
<b>Financial assets measured at amortised cost</b>		
Trade debtors	3,029,966	2,726,595
Other debtors	183,549	79,790
Amounts owed by group undertakings	15,000	-
<b>Financial liabilities measured at amortised cost</b>		
Bank loans and overdrafts	599,057	1,886,787
Hire purchase contracts	27,317	33,312
Trade creditors	1,401,353	426,214

19. CALLED UP SHARE CAPITAL

Number:	Class:	Nominal value: £1	31.7.20 £	31.7.19 £
50	Ordinary		<u>50</u>	<u>50</u>

20. RESERVES

	Retained earnings £	Revaluation reserve £	Totals £
At 1 August 2019	778,013	180,353	958,366
Profit for the year	227,808		227,808
Dividends	(100,000)		(100,000)
At 31 July 2020	<u>905,821</u>	<u>180,353</u>	<u>1,086,174</u>

21. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2020 and 31 July 2019:

	31.7.20 £	31.7.19 £
<b>S M Jones</b>		
Balance outstanding at start of year	-	-
Amounts advanced	116,047	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>116,047</u>	<u>-</u>

All amounts owed to the company have been subsequently repaid within 9 months of the financial year end.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2020

**22. RELATED PARTY DISCLOSURES**

**Entities over which the entity has control, joint control or significant influence**

	31.7.20	31.7.19
	£	£
Amount due from related party	<u>15,000</u>	<u>-</u>

As at 31 July 2020 the company was owed £15,000 from its wholly owned subsidiary, Pier Rigging and Testing Limited.

**Other related parties**

	31.7.20	31.7.19
	£	£
Management and training fees	<u>360,000</u>	<u>4,167</u>

During the financial year the company paid management and training fees amounting to £40,000 (2019 £4,167) to Whissendine Training Limited, a company controlled by S Jones who is the controlling director and shareholder of European Active Projects Limited.

As at 31 July 2020 the company was owed £96,000 (2019 £Nil) from LWJ Consultancy UK Limited and £Nil (2019 £Nil) was owed to LWJ Consultancy UK Limited.

During the financial year the company paid management fees amounting to £320,000 (2019 £Nil) to LWJ Consultancy UK Limited, a company controlled by S Jones who is the controlling director and shareholder of European Active Projects Limited.

**23. ULTIMATE CONTROLLING PARTY**

The controlling party is S M Jones.

The ultimate controlling party is S M Jones.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.