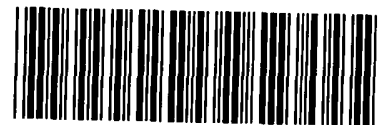


Company registration number 06548791 (England and Wales)

THE TALL GROUP OF COMPANIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
PAGES FOR FILING WITH REGISTRAR

SATURDAY



AB4Z1KC2

A03

28/05/2022

#279

COMPANIES HOUSE

THE TALL GROUP OF COMPANIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Business review

The directors consider the overall performance of the Group to be satisfactory following the exceptional circumstances of the COVID-19 pandemic. Sales revenues decreased to £8,510,645 (2020: £8,668,346). The Group's technology enabled products and fraud prevention services continue to present significant opportunities, both in the UK and internationally. Cash management across the Group is constantly monitored, and this enables the Group to take advantage of positive net balances where required.

Results and dividends

The profit for the year, after interest and taxation, amounted to £318,555 (2020: loss of £50,681). A dividend of £175,000 (2020: £100,000) was paid by the directors.

Principal risks and uncertainties

The Group uses financial instruments, which include a bank overdraft, cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's operations. The existence of these financial instruments exposes the Group to a number of financial risks, which are described in more detail below.

Liquidity risk

The Group seeks to manage financial risk by ensuring liquidity is available to meet foreseeable needs and to invest cash safely and profitably. Short term flexibility is achieved by an overdraft facility.

Interest rate risk

The Group finances its operations through a mixture of retained profits and a bank overdraft. The interest rate exposure of the financial assets and liabilities of the Company as at 31 December 2020 is shown below. The table includes trade debtors and creditors as these do not attract interest and are therefore subject to fair value interest rate risk.

	Interest rate			
	Fixed	Floating	Zero	Total
	£	£	£	£
Financial assets				
Cash	-	1,642,014	-	1,642,014
Trade debtors	-	-	1,323,912	1,323,912
	-	1,642,014	1,323,912	2,965,926
Financial liabilities				
Finance leases and hire purchase contracts	249,126	-	-	249,126
Trade creditors	-	-	786,169	786,169
Bank loan and overdraft	-	294,463	-	294,463
	249,126	294,463	786,169	1,329,758

THE TALL GROUP OF COMPANIES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Credit risk

The Group's principal financial assets are cash deposits, cash and trade debtors. The credit risk associated with cash is limited. The principal credit risk arises therefore from its trade debtors. In order to manage credit risk, the directors set limits for customers based on a combination of payment history and third party credit references. Credit limits are reviewed by the credit controller on a regular basis in conjunction with debt ageing and collection history.

Financial key performance indicators

Financial overview

Revenue decreased in 2021 to £8,510,645 (2020: £8,668,346). The gross profit increased to £4,459,766 (2020: £4,288,124). Operating costs, net of other operating income, of £4,166,880 in 2021 compared to £4,332,790 in 2020. The profit before tax in 2021 of £279,286 compared to a loss before tax in 2020 of £64,959.

Cash management

Close attention to credit control and supply chain management ensures optimum cash flows across the group.

Capital expenditure

The directors constantly monitor the requirements to invest in, upgrade or replace machinery, equipment and IT infrastructure in order to maintain efficient production operations, and optimum data and systems security across the Group.

Other key performance indicators

Accreditations, training and development

The Group maintains accreditations to ISO 27001, ISO 9001, ISO 14001, Cyber Essentials Plus and the Investors in People standard, and ensures all its people review performance and participate in relevant training and development activities.

Future prospects

The directors maintain a continuing positive outlook for the prospects of the Group

This report was approved by the board of directors on 25th May 2022 and signed on behalf of the board by:



M J Ruda
Director

Registered office:
Unit 2
Pembroke Court
Manor Park
runcorn
Cheshire
WA7 1TJ

Date: 25th May 2022

THE TALL GROUP OF COMPANIES LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	5	204,389		274,079	
Tangible assets	6	1,568,864		1,456,523	
		<u>1,773,253</u>		<u>1,730,602</u>	
Current assets					
Stocks		1,410,242		1,502,084	
Debtors	9	1,536,870		1,670,345	
Cash at bank and in hand		1,642,014		1,537,709	
		<u>4,589,126</u>		<u>4,710,138</u>	
Creditors: amounts falling due within one year	10	<u>(1,943,831)</u>		<u>(2,183,057)</u>	
Net current assets		<u>2,645,295</u>		<u>2,527,081</u>	
Total assets less current liabilities		<u>4,418,548</u>		<u>4,257,683</u>	
Creditors: amounts falling due after more than one year	11	(323,231)		(267,460)	
Provisions for liabilities		<u>(118,800)</u>		<u>(157,261)</u>	
Net assets		<u><u>3,976,517</u></u>		<u><u>3,832,962</u></u>	
Capital and reserves					
Called up share capital		194,924		194,924	
Capital redemption reserve	14	85,076		85,076	
Other reserves	14	(1,310,530)		(1,310,530)	
Profit and loss reserves	14	5,007,047		4,863,492	
Total equity		<u><u>3,976,517</u></u>		<u><u>3,832,962</u></u>	

The directors of the group have elected not to include a copy of the profit and loss account within the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies regime.

THE TALL GROUP OF COMPANIES LIMITED

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

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

25/05/2022



.....
WSD Lamb
Director

THE TALL GROUP OF COMPANIES LIMITED

COMPANY BALANCE SHEET

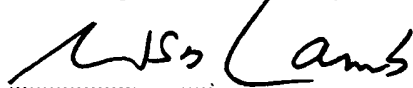
AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	7		3,013,532		3,013,532
Current assets					
Debtors	9	38,326		38,326	
Cash at bank and in hand		10,813		29	
		49,139		38,355	
Creditors: amounts falling due within one year	10	(2,017,657)		(2,017,657)	
Net current liabilities			(1,968,518)		(1,979,302)
Net assets			1,045,014		1,034,230
Capital and reserves					
Called up share capital			194,924		194,924
Capital redemption reserve	14	85,076		85,076	
Profit and loss reserves	14	765,014		754,230	
Total equity			1,045,014		1,034,230

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £185,784 (2020 - £192,503 profit).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the board of directors and authorised for issue on 25/05/2022 and are signed on its behalf by:



WSD Lamb
Director

Company Registration No. 06548791

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

The Tall Group Of Companies Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit 2, Pembroke Court, Manor Park, Runcorn, Cheshire, WA7 1TJ.

The group consists of The Tall Group Of Companies Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company The Tall Group Of Companies Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is presumed not to exceed ten years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	50 years
Leasehold land and buildings	Fully depreciated
Plant and equipment	2-10 years
Fixtures and fittings	10 years
Computers	5 years
Motor vehicles	5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.8 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.16 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Auditor's remuneration

	2021	2020
	£	£
Audit of the financial statements of the company's subsidiaries	32,396	32,371

4 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was: 109 (2020: 131).

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 January 2021 and 31 December 2021	738,835
Amortisation and impairment	
At 1 January 2021	464,756
Amortisation charged for the year	69,690
At 31 December 2021	534,446
Carrying amount	
At 31 December 2021	204,389
At 31 December 2020	274,079

The company had no intangible fixed assets at 31 December 2021 or 31 December 2020.

6 Tangible fixed assets

Group	Land and buildings £	Plant and machinery etc £	Total £
Cost			
At 1 January 2021	997,744	7,272,742	8,270,486
Additions	-	355,683	355,683
At 31 December 2021	997,744	7,628,425	8,626,169
Depreciation and impairment			
At 1 January 2021	511,786	6,302,177	6,813,963
Depreciation charged in the year	11,256	232,086	243,342
At 31 December 2021	523,042	6,534,263	7,057,305
Carrying amount			
At 31 December 2021	474,702	1,094,162	1,568,864
At 31 December 2020	485,958	970,565	1,456,523

The company had no tangible fixed assets at 31 December 2021 or 31 December 2020.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

7 Fixed asset investments

	Group 2021 £	2020 £	Company 2021 £	2020 £
	<u>-</u>	<u>-</u>	<u>3,013,532</u>	<u>3,013,532</u>
Movements in fixed asset investments				
Company				
				Shares in subsidiaries £
Cost or valuation				
At 1 January 2021 and 31 December 2021				<u>3,013,532</u>
Carrying amount				
At 31 December 2021				<u>3,013,532</u>
At 31 December 2020				<u>3,013,532</u>

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

8 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Address	Class of shares held	% Held Direct
TALL Security Print Limited	UK	£1 Ordinary shares	100
Checkprint Limited	UK	£1 Ordinary shares	100
DLRT Limited	UK	£1 Ordinary shares	100

9 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	1,323,912	1,349,521	-	-
Corporation tax recoverable	-	4,624	-	-
Amounts owed by group	-	-	38,326	38,326
Other debtors	212,958	316,200	-	-
	<u>1,536,870</u>	<u>1,670,345</u>	<u>38,326</u>	<u>38,326</u>

The total carrying amount of the trade debtors is pledged as security for the Group's bank loans.

10 Creditors: amounts falling due within one year

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	138,909	82,849	-	-
Trade creditors	786,169	946,431	-	-
Amounts owed to group undertakings	-	-	2,017,657	2,017,657
Taxation and social security	265,887	218,634	-	-
Other creditors	752,866	935,143	-	-
	<u>1,943,831</u>	<u>2,183,057</u>	<u>2,017,657</u>	<u>2,017,657</u>

The bank loan is secured by charges on the freehold property and by fixed and floating charges over the assets of all group undertakings.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans and overdrafts	12	155,554	120,442	-	-
Obligations under finance leases	13	167,677	147,018	-	-
		<u>323,231</u>	<u>267,460</u>	<u>-</u>	<u>-</u>

12 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	215,780	160,158	-	-
Bank overdrafts	78,683	43,133	-	-
	<u>294,463</u>	<u>203,291</u>	<u>-</u>	<u>-</u>
Payable within one year	138,909	82,849	-	-
Payable after one year	155,554	120,442	-	-
	<u>294,463</u>	<u>203,291</u>	<u>-</u>	<u>-</u>

Included within bank loans are two facilities with HSBC Bank Plc.

Interest on the bank loan held by Checkprint Limited is charged at 2.25% per annum over the Bank of England Base Rate. The loan is repaid by monthly instalments of £3,674.

13 Finance lease obligations

	Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:				
Within one year	81,449	52,689	-	-
In two to five years	167,677	147,018	-	-
	<u>249,126</u>	<u>199,707</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is three years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

THE TALL GROUP OF COMPANIES LIMITED

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Capital redemption reserve - represents amounts which have arisen on the redemption or purchase of shares.

Other reserves - represents the difference between the consideration paid in a merger and the fair value of the assets transferred.

Profit and loss account - the profit and loss account includes all current and prior period retained profits and losses.

15 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

The auditor was . *Nicolaus S. Jenkins*

16 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

Group		Company	
2021	2020	2021	2020
£	£	£	£
729,271	228,135	-	-
<u>729,271</u>	<u>228,135</u>	<u>-</u>	<u>-</u>