

Registration number: 09263239

Alpha Republic Ltd

Annual Report and Financial Statements
for the Year Ended 24 December 2021

HSJ Audit Limited
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY



Alpha Republic Ltd

Contents

Company Information	1
Strategic Report	2
Directors' Report	3 to 4
Statement of Directors' Responsibilities	5
Independent Auditor's Report	6 to 8
Profit and Loss Account	9
Statement of Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Statement of Cash Flows	13
Notes to the Financial Statements	14 to 23

Alpha Republic Ltd

Company Information

Directors	Ms Victoria Ellen O'Dea Rebecca Elizabeth Waterfield
Registered office	85 Great Portland Street London W1W 7LT
Auditors	HSJ Audit Limited Severn House Hazell Drive Newport South Wales NP10 8FY

Alpha Republic Ltd

Strategic Report for the Year Ended 24 December 2021

The directors present their strategic report for the year ended 24 December 2021.

Principal activity

The principal activity of the company is contractor and payroll related services

Fair review of the business

The company has continued to grow throughout the year under review due to increased activity with the addition of new agency partnerships.

The company also experienced organic growth from existing employees who referred colleagues during the period.

This has been driven by the increasing demand for reputable umbrella services in the market, not least driven by recent changes to regulations such as IR35.

The loss for the year under review was due to expenses recognised relating to the net present value adjustments in the year under review which are anticipated to unwind in future periods.

The Directors are confident in the future of the company and believe this to be evidenced by its cash base and positive balance sheet position (on a historical cost basis) as at 24 December 2021.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2021	2020
Turnover	£	53,474,739	39,811,088
Profit / (Loss) before tax	£	(923,195)	(16,477,673)
Number of employees		639	479
Cash at bank	£	2,555,590	3,075,193
Net assets (historical cost basis)	£	552,762	306,754

The primary non-financial KPI of the company is the servicing and retention of employees. During the year ended 24 December 2021 the number of employees managed by the company increased from 479 to 639 representing growth of 35% year on year.

Principal risks and uncertainties

There were several factors which added to business risk and uncertainties, COVID is an ever-present risk with employees not able to find work or unable to work due to the potential health risks. General legislation in the umbrella sector is also subject to review by HMRC on a regular basis and perhaps more specifically in the contracting market it has been suggested there may be changes to the IR35 legislation, this will enable contractors to use a Limited Company in favour of an umbrella provider.

Approved and authorised by the Board on 22 March 2023 and signed on its behalf by:


Ms Victoria Ellen O'Dea
Director

Alpha Republic Ltd

Directors' Report for the Year Ended 24 December 2021

The directors present their report and the financial statements for the year ended 24 December 2021.

Directors of the company

The directors who held office during the year were as follows:

Ms Victoria Ellen O'Dea

Rebecca Elizabeth Waterfield

Financial instruments

Objectives and policies

The financial risk associated with the company is related to underlaying retained profitability. Profitability is obtained based on a margin returned by each employee managed by the company.

Wider risk associated with the investments made via the Employee Motivational Fund are managed independently by the Employer related Trust.

Price risk, credit risk, liquidity risk and cash flow risk

The company is exposed to price and credit risk in the following ways:

- a.) the increased cost of living in the UK adding pressure to the salaries of the workforce which restricts the companies' ability to adjust its' fee levels;
- b.) the increasing interest rates in the UK could lead to a growth in the basic rate of return and thus lead to an increased net present value adjustment in connection with its primary aged debtors; and
- c.) the failure of a key agency customer giving rise to a cash flow risk to meet salary costs.

The final point above is mitigated by restrictions on agencies being able to operate in arrears.

Employment of disabled persons

The company operates an equal opportunities policy in relation to the employment of disabled persons internally.

The company ensures that any such policies being operated by end users are applied when engaging with recruitment agencies.

Employee involvement

The company actively engages with in-house staff on business development and internal activities.

Engagement with employees

The company regularly communicates with all employees on its' payroll by way of email correspondence and circulars. Furthermore, all active employees are encouraged to contact in-house staff by phone at any time should they have any queries or concerns.

The company actively engages with employees and other stakeholders via social media and other online outlets.

Environmental matters

The company's total emissions did not exceed 40,000 KWH of energy during the year ended 24 December 2021.

Alpha Republic Ltd

Directors' Report for the Year Ended 24 December 2021

Future developments

The company will actively continue to grow in the coming years through increased engagement with employees and agencies. It is anticipated that the good reputation of the company will lead to increased activity driven by both existing agency customers and word of mouth among the temporary labour market.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved and authorised by the Board on 22 March 2023 and signed on its behalf by:


.....
Ms Victoria Ellen O'Dea
Director

Alpha Republic Ltd

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Alpha Republic Ltd

Independent Auditor's Report to the Members of Alpha Republic Ltd

Opinion

We have audited the financial statements of Alpha Republic Ltd (the 'company') for the year ended 24 December 2021, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 24 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor 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

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

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

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

Other information

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

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

We have nothing to report in this regard.

Alpha Republic Ltd

Independent Auditor's Report to the Members of Alpha Republic Ltd

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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 directors' remuneration specified by law are not made; or
- we have not received all 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 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

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

Alpha Republic Ltd

Independent Auditor's Report to the Members of Alpha Republic Ltd

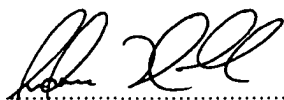
The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- a.) we have conducted company searches and credit checks on the company itself and two key related parties noted during our audit work;
- b.) we have confirmed the company's registration with HM Revenue & Customs and made enquiries with management in relation to any ongoing correspondence with that agency;
- c.) we have completed background screening checks on the company, its' directors, its shareholders and selected related parties identified during our audit planning; and
- d.) we have reviewed legal documentation and King's Counsel opinion in relation to the services offered by the company and the associated application of accounting standards.

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

Use of our report

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



Mr Andrew Hill FCCA ACA DChA BFP (Senior Statutory Auditor)
For and on behalf of HSJ Audit Limited, Statutory Auditor

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

23 March 2023

Alpha Republic Ltd

Profit and Loss Account for the Year Ended 24 December 2021

	Note	2021 £	2020 £
Turnover	3	53,474,739	39,811,088
Cost of sales		<u>(45,820,989)</u>	<u>(48,705,531)</u>
Gross profit/(loss)		7,653,750	(8,894,443)
Administrative expenses		<u>(7,302,038)</u>	<u>(5,539,648)</u>
Operating profit/(loss)	4	351,712	(14,434,091)
Interest payable and similar expenses	5	<u>(1,274,907)</u>	<u>(2,043,582)</u>
Loss before tax		(923,195)	(16,477,673)
Tax on loss	9	<u>(82,663)</u>	<u>2,720,835</u>
Loss for the financial year		<u><u>(1,005,858)</u></u>	<u><u>(13,756,838)</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

The notes on pages 14 to 23 form an integral part of these financial statements.

Alpha Republic Ltd

Statement of Comprehensive Income for the Year Ended 24 December 2021

	2021 £	2020 £
Loss for the year	<u>(1,005,858)</u>	<u>(13,756,838)</u>
Total comprehensive income for the year	<u><u>(1,005,858)</u></u>	<u><u>(13,756,838)</u></u>

Alpha Republic Ltd

(Registration number: 00263239)

Balance Sheet as at 24 December 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	10	4,747	5,457
Tangible assets	11	<u>418</u>	<u>1,004</u>
		<u>5,165</u>	<u>6,461</u>
Current assets			
Debtors	12	73,222,272	40,726,226
Cash at bank and in hand		<u>2,555,590</u>	<u>3,075,193</u>
		75,777,862	43,801,419
Creditors: Amounts falling due within one year	14	<u>(78,540,276)</u>	<u>(45,558,271)</u>
Net current liabilities		<u>(2,762,414)</u>	<u>(1,757,852)</u>
Net liabilities		<u>(2,757,249)</u>	<u>(1,751,391)</u>
Capital and reserves			
Called up share capital		1	1
Retained earnings		<u>(2,757,250)</u>	<u>(1,751,392)</u>
Shareholders' deficit		<u>(2,757,249)</u>	<u>(1,751,391)</u>

Approved and authorised by the Board on 22 March 2023 and signed on its behalf by:

V O'Dea

Ms Victoria Ellen O'Dea
Director

The notes on pages 14 to 23 form an integral part of these financial statements.

Alpha Republic Ltd

Statement of Changes in Equity for the Year Ended 24 December 2021

	Share capital	Retained earnings	Total
	£	£	£
At 25 December 2020	<u>1</u>	<u>(1,751,392)</u>	<u>(1,751,391)</u>
Loss for the year	<u>-</u>	<u>(1,005,858)</u>	<u>(1,005,858)</u>
At 24 December 2021	<u>1</u>	<u>(2,757,250)</u>	<u>(2,757,249)</u>
	Share capital	Retained earnings	Total
	£	£	£
At 25 December 2019	<u>1</u>	<u>12,005,446</u>	<u>12,005,447</u>
Loss for the year	<u>-</u>	<u>(13,756,838)</u>	<u>(13,756,838)</u>
At 24 December 2020	<u>1</u>	<u>(1,751,392)</u>	<u>(1,751,391)</u>

The notes on pages 14 to 23 form an integral part of these financial statements.

Alpha Republic Ltd

Statement of Cash Flows for the Year Ended 24 December 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Loss for the year		(1,005,858)	(13,756,838)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	1,296	1,296
Finance costs	5	1,260,135	2,051,675
Income tax expense	9	<u>82,663</u>	<u>(2,720,835)</u>
		338,236	(14,424,702)
Working capital adjustments			
Increase in trade debtors	12	(33,664,351)	(25,572,040)
Increase in trade creditors	14	<u>33,077,444</u>	<u>40,779,049</u>
Cash generated from operations		(248,671)	782,307
Income taxes paid	9	<u>(269,133)</u>	<u>-</u>
Net cash flow from operating activities		(517,804)	782,307
Cash flows from financing activities			
Interest paid	5	<u>(1,799)</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents		(519,603)	782,307
Cash and cash equivalents at 25 December		<u>3,075,193</u>	<u>2,292,886</u>
Cash and cash equivalents at 24 December		<u><u>2,555,590</u></u>	<u><u>3,075,193</u></u>

The notes on pages 14 to 23 form an integral part of these financial statements.

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

1 General information

The company is a private company limited by share capital, incorporated in England & Wales.

The address of its registered office is:

85 Great Portland Street
London
W1W 7LT
England

The principal place of business is:

10, Rumford PI
Liverpool
L3 9DG

These financial statements were authorised for issue by the Board on 22 March 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Key sources of estimation uncertainty

A key accounting estimate applied to these financial statements is the net present value adjustment of employee related aged debtors as at the year end. The directors have considered it reasonable to apply a discount factor of 0.75% when calculating the net present value of these balances as this is reflective of the current rate of return available on funds deposited on the open market.

The current year profit and loss includes a finance charge of £1,258,336 (2020: £2,058,136) in relation to the above noted estimate. The carrying amount is £74,879,859 (2020: £40,500,528).

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;
and specific criteria have been met for each of the company's activities.

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	25% straight line

Intangible assets

Intangible assets are initially measured at cost and are subsequently measured at cost less any accumulated amortisation and accumulated impairment losses or at a revalued amount. However, Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Any intangible assets carried at a revalued amount are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

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

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Other intangible asset	10% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

Employee Motivation Scheme

The company operates an Employee Motivation Scheme ('EMS') for the benefit of its current and past employees. Amounts payable to the EMS are recognised as current liabilities and are measured at the original cost of the expense.

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

3 Revenue

The analysis of the company's turnover for the year from continuing operations is as follows:

	2021 £	2020 £
Rendering of services	<u>53,474,739</u>	<u>39,811,088</u>

4 Operating profit/(loss)

Arrived at after charging/(crediting)

	2021 £	2020 £
Depreciation expense	586	586
Amortisation expense	<u>710</u>	<u>710</u>

5 Interest payable and similar expenses

	2021 £	2020 £
Interest expense on other finance liabilities	1,260,135	2,051,675
Foreign exchange gains/(losses)	<u>14,772</u>	<u>(8,093)</u>
	<u>1,274,907</u>	<u>2,043,582</u>

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2021	2020
	£	£
Wages and salaries	11,084,757	5,760,471
Social security costs	849,369	391,332
Pension costs, defined contribution scheme	47,439	35,146
Employee motivation and other staff costs	300	1,230
	<u>11,981,865</u>	<u>6,188,179</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

	2021	2020
	No.	No.
Administration and support	639	479
	<u>639</u>	<u>479</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows:

	2021	2020
	£	£
Remuneration	<u>27,500</u>	<u>2,000</u>

8 Auditors' remuneration

	2021	2020
	£	£
Audit of the financial statements	<u>6,950</u>	<u>6,500</u>
Other fees to auditors		
All other non-audit services	<u>3,500</u>	<u>3,000</u>

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

9 Taxation

Tax charged/(credited) in the profit and loss account

	2021 £	2020 £
Current taxation		
UK corporation tax	<u>82,663</u>	<u>(2,720,835)</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2020 - lower than the standard rate of corporation tax in the UK) of 0% (2020 - 19%).

The differences are reconciled below:

	2021 £	2020 £
Loss before tax	<u>(923,195)</u>	<u>(16,477,673)</u>
Corporation tax at standard rate	(175,407)	(3,130,758)
Effect of expense not deductible in determining taxable profit (tax loss)	<u>258,070</u>	<u>409,923</u>
Total tax charge/(credit)	<u>82,663</u>	<u>(2,720,835)</u>

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

10 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 25 December 2020	7,100	7,100
At 24 December 2021	7,100	7,100
Amortisation		
At 25 December 2020	1,643	1,643
Amortisation charge	710	710
At 24 December 2021	2,353	2,353
Carrying amount		
At 24 December 2021	4,747	4,747
At 24 December 2020	5,457	5,457

11 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 25 December 2020	2,342	2,342
At 24 December 2021	2,342	2,342
Depreciation		
At 25 December 2020	1,338	1,338
Charge for the year	586	586
At 24 December 2021	1,924	1,924
Carrying amount		
At 24 December 2021	418	418
At 24 December 2020	1,004	1,004

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

12 Debtors

		2021 £	2020 £
Current	Note		
Trade debtors		326,031	215,494
Other debtors		71,792,426	40,476,916
Prepayments		7,663	33,816
Accrued income		1,006,121	-
Income tax asset	9	90,031	-
		<u>73,222,272</u>	<u>40,726,226</u>

Details of non-current trade and other debtors

£74,879,859 (2020: £40,500,528) of Employee related loans is classified as non current. The balances noted above are due to mature in a combination of 5 to 7 years as at 24 December 2021 and have been re-stated to net present values at the year end to reflect the time value of money.

13 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	<u>2,555,590</u>	<u>3,075,193</u>

14 Creditors

		2021 £	2020 £
Due within one year	Note		
Trade creditors		127,627	115,257
Social security and other taxes		2,185,357	1,643,770
Outstanding defined contribution pension costs		1,390	-
Other payables		75,475,409	42,078,731
Accruals		750,493	1,517,171
Income tax liability	9	-	96,439
Gross amount due to customers for contract work		-	107,903
		<u>78,540,276</u>	<u>45,559,271</u>

Alpha Republic Ltd

Notes to the Financial Statements for the Year Ended 24 December 2021

15 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £47,439 (2020 - £35,146).

Contributions totalling £1,390 (2020 - £Nil) were payable to the scheme at the end of the year and are included in creditors.

16 Share capital

Allotted, called up and fully paid shares

	2021		2020	
	No.	£	No.	£
Ordinary of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>