REGISTERED NUMBER: 11906481

REPORT OF THE DIRECTORS AND

UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2021

FOR

PELHAM ACCOUNTANTS 2019 LIMITED

PELHAM ACCOUNTANTS 2019 LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the Year Ended 31 May 2021

PELHAM ACCOUNTANTS 2019 LIMITED

COMPANY INFORMATION
for the Year Ended 31 May 2021

DIRECTORS:	J N White L Booth C B Hunt S L Pearson C Jordan
REGISTERED OFFICE:	16 Dudley Street Grimsby N E Lincolnshire DN31 2AB
REGISTERED NUMBER:	11906481 (England and Wales)

REPORT OF THE DIRECTORS
for the Year Ended 31 May 2021

The directors present their report with the financial statements of the company for the year ended 31 May 2021.

PRINCIPAL ACTIVITY
The principal activity of the company in the year under review was that of provision of accountancy services.

DIRECTORS
The directors shown below have held office during the whole of the period from 1 June 2020 to the date of this report.

J N White
L Booth
C B Hunt
S L Pearson
C Jordan

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's 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.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

....
L Booth - Director

Date: 25/5/22

PELHAM ACCOUNTANTS 2019 LIMITED

INCOME STATEMENT
for the Year Ended 31 May 2021

	Notes	31.5.21 £	31.5.20 £
TURNOVER	3	1,254,614	1,272,155
Cost of sales		537,722	508,431
GROSS PROFIT		716,892	763,724
Administrative expenses		473,967	491,872
		242,925	271,852
Other operating income		-	1,770
OPERATING PROFIT		242,925	273,622
Interest payable and similar expenses	5	14,307	15,311
PROFIT BEFORE TAXATION	6	228,618	258,311
Tax on profit	7	44,729	52,086
PROFIT FOR THE FINANCIAL YEAR		183,889	206,225

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
for the Year Ended 31 May 2021

	Notes	31.5.21 £	31.5.20 £
PROFIT FOR THE YEAR		183,889	206,225
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		183,889	206,225

The notes form part of these financial statements

BALANCE SHEET
31 May 2021

	Notes	31.5.21 £	31.5.21 £	31.5.20 £	31.5.20 £
FIXED ASSETS					
Owned					
Tangible assets	9		19,002		20,687
Right-of-use					
Tangible assets	9, 14		365,345		398,633
			384,347		419,320
CURRENT ASSETS					
Debtors	10	185,850		170,622	
Contract assets	3	130,570		154,226	
Cash at bank and in hand		90,629		103,342	
		407,049		428,190	
CREDITORS					
Amounts falling due within one year	11	(278,028)		(365,079)	
CONTRACT LIABILITIES					
Amounts falling due within one year	3	(5,534)		(5,379)	
NET CURRENT ASSETS			123,487		57,732
TOTAL ASSETS LESS CURRENT LIABILITIES			507,834		477,052
CREDITORS					
Amounts falling due after more than one year	12		(348,820)		(375,321)
PROVISIONS FOR LIABILITIES	15		(2,204)		(2,276)
NET ASSETS			156,810		99,455
CAPITAL AND RESERVES					
Called up share capital	16		1,530		1,530
Retained earnings	17		155,280		97,925
SHAREHOLDERS' FUNDS			156,810		99,455

The company is entitled to exemption from audit under Section 479A of the Companies Act 2006 relating to subsidiary companies for the year ended 31 May 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 May 2021 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:
(a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

continued...

BALANCE SHEET - continued
31 May 2021

The 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 ....25/5/22................ and were signed on its behalf by:

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L Booth - Director

PELHAM ACCOUNTANTS 2019 LIMITED

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 May 2021

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 June 2019	447	-	447
Changes in equity			
Issue of share capital	1,083	-	1,083
Dividends	-	(108,300)	(108,300)
Total comprehensive income	-	206,225	206,225
Balance at 31 May 2020	1,530	97,925	99,455
Changes in equity			
Dividends	-	(126,534)	(126,534)
Total comprehensive income	-	183,889	183,889
Balance at 31 May 2021	1,530	155,280	156,810

The notes form part of these financial statements

1. STATUTORY INFORMATION

Pelham Accountants 2019 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.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparation
These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements contain information about Pelham Accountants 2019 Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and it's subsidiary undertaking are included by full consolidation in the consolidation financial statements of it's parent, Xeinadin Group Limited, 8th Floor Becket House 36 Old Jewry, London EC20 8DD

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held for Sale and Discontinued Operations;
- the requirements of paragraph 24(6) of IFRS 6 Exploration for and Evaluation of Mineral Resources;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases;
  the requirements of paragraph 58 of IFRS 16;
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - *paragraph 79(a)(iv) of IAS 1;*
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of paragraphs 10(d), 10)(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

continued...

2. **ACCOUNTING POLICIES - continued**

Critical accounting judgements and key sources of estimation uncertainty
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the application of the company's accounting policies, management is required to make judgment estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying 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 if the revision affects the period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have significant effect on the amounts recognised in the financial statements are described below:

a) Impairment of intangible assets and goodwill
The company considers whether intangible assets and/or goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the asset. This requires estimation of the future cash flows from the associated asset and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

b) Useful economic lives of intangible assets
The annual amortisation charge for intangible assets is sensitive to changes in the estimated useful economic lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates.

c) Useful economic lives of tangible assets
The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates and physical condition of the assets.

d) Impairment of trade receivables and contract assets
The company makes an estimate of the recoverable value of trade receivables and contract assets. When assessing impairment of trade receivables and contract assets, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

continued...

2. **ACCOUNTING POLICIES - continued**

Turnover
Revenue is measured as the fair value of consideration received or receivable for satisfying performance obligations contained in contracts with clients, including expenses and disbursements but excluding discounts and Value Added Tax.
Variable consideration is included in the transaction price only to the extent that it is highly probable that a significant reversal will not be required when the uncertainties determining the level of variable consideration are subsequently resolved. Revenue is recognised when or as the company satisfies performance obligations by transferring control of services to clients. This occurs as follows for the company's various contract types:

o Time-and-materials contracts are recognised over time as services are provided at the fee rate agreed with the client where there is an enforceable right to payment for performance completed to date.

o Fixed-fee contracts are recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided where there is an enforceable right to payment for performance completed to date. This is determined based on the actual inputs of time and expenses relative to total expected inputs.

o Performance-fee contracts are recognised when the right to consideration arises on having met the relevant performance related elements.

o Contingent-fee contracts, over and above any agreed minimum fee, are recognised at the point in time that the contingent event occurs and the company has become entitled to the revenue.

Where contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on its stand-alone selling price. Where these are not directly observable, they are estimated based on expected cost plus margin. Adjustments are made to allocate discounts proportionately relative to the stand-alone selling price of each performance obligation.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the income statement in the period in which the circumstances that give rise to the revision become known.

For time-and-materials, fixed-fee and licence-fee contracts, fees are usually billed on account based on a payment schedule.

For performance-fee and contingent-fee contracts, fees are usually billed and paid when entitlement to the revenue has been established. If the revenue recognised by the company exceeds the amounts billed, a contract asset is recognised. If the amounts billed exceed the revenue recognised, a contract liability is recognised. Contract assets are reclassified as receivables when billed and the consideration has become unconditional because only the passage of time is required before payment is due.

The company's standard payment terms require settlement of invoices within 30 days of receipt.

The company does not adjust the transaction prices for the time value of money as it does not expect to have any contracts where the period between the transfer of the promised services to the client and the payment by the client exceeds one year.

Patents, licences and contracts
Patents, licences and contracts are stated at cost less impairment.

continued...

2. **ACCOUNTING POLICIES - continued**

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

Long leasehold	-	the period of the lease
Plant and machinery	-	20% on cost
Fixtures and fittings	-	25% on cost

Property, plant and equipment consists of:

Fixtures and fittings and computer equipment-these classes of assets are carried under the cost model.

Long leasehold property include right-of-use assets which consist of offices which are carried under the cost model. Right-of-use assets are depreciated over the shorter of the lease term and the useful life of the underlying asset. Depreciation starts at the commencement date of the lease.

continued...

2. ACCOUNTING POLICIES - continued

Financial instruments
i) Financial assets
Basic financial assets, including trade and other receivables, and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

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 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.

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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

ii) Financial liabilities
Basic financial liabilities, including trade and other payables, bank loans, and loans from fellow Group companies 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 receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables 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 payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

continued...

2. **ACCOUNTING POLICIES - continued**

Taxation
Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authoritiesl tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These 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 recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Leases
Leases are recognised as finance leases. The lease liability is initially recognised at the present value of the lease payments which have not yet been made and subsequently measured under the amortised cost method. The initial cost of the right-of-use asset comprises the amount of the initial measurement of the lease liability, lease payments made prior to the lease commencement date, initial direct costs and the estimated costs of removing or dismantling the underlying asset per the conditions of the contract.

Where ownership of the right-of-use asset transfers to the lessee at the end of the lease term, the right-of-use asset is depreciated over the asset's remaining useful life. If ownership of the right-of-use asset does not transfer to the lessee at the end of the lease term, depreciation is charged over the shorter of the useful life of the right-of-use asset and the lease term.

Employee benefit costs
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the income statement in the period to which they relate.

Government grants
Government grants received on capital expenditure are generally deducted in arriving at the carrying amount of the asset purchased. Grants for revenue expenditure are netted against the cost incurred by the company. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the consolidated statement of comprehensive income or netted against the asset purchased.

Trade and other receivables
Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscovered amount expected to be received, less attributable transaction costs. Any subsequent impairment is recognised as an expense in profit or loss.

If payment is due after more than one year or if there is any other indication of a financing transaction, trade and other receivables are recorder initially at fair value less attributable transaction costs. In this situation, fair value is equal to the amount expected to be received, discounted at a market-related interest rate.

All trade and other receivables are subsequently measured at amortised cost, net of impairment.

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2. ACCOUNTING POLICIES - continued

Impairment and write-offs
The company always recognises lifetime ECL (expected credit losses) for trade receivables and contract assets, which are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

The company writes off a receivable when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Financial assets written off are still subject to enforcement activities. Any recoveries made are recognised in profit or loss.

Going concern
The directors believe that the company is experiencing good levels of revenue growth and profitability, and that it is well placed to manage its business risks successfully. Accordingly, they have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and they believe that it is appropriate to apply the going concern basis of accounting in preparing the financial statements.

3. TURNOVER

Revenue from contracts with customers
The company operates from the UK and all turnover is attributable to the UK

The company's turnover of £1,256,498 (2020-£1,272,155) consists entirely of contract revenue from customers.

Contract balances

	31.5.21	31.5.20
	£	£
Debtors included in "Trade and other debtors"	146,529	140,242

Contract assets

	31.5.21	31.5.20
Current		
Contract assets	130,570	154,226

Contract liabilities

	31.5.21	31.5.20
Current		
Contract liabilities	5,534	5,379

4. EMPLOYEES AND DIRECTORS

	31.5.21	31.5.20
	£	£
Wages and salaries	650,585	632,015
Social security costs	54,847	53,850
Other pension costs	23,986	24,137
	729,418	710,002

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

	31.5.21	31.5.20
Directors	5	5
Chargeable staff	16	16
Administration	3	3
	24	24

continued...

4. EMPLOYEES AND DIRECTORS - continued

	31.5.21	31.5.20
	£	£
Directors' remuneration	120,000	120,000

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.5.21	31.5.20
	£	£
Leasing	14,307	15,311

6. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging:

	31.5.21	31.5.20
	£	£
Cost of inventories recognised as expense	537,722	508,431
Depreciation - owned assets	6,799	4,374
Depreciation - assets on hire purchase contracts or finance leases	33,288	33,243

7. TAXATION

Analysis of tax expense

	31.5.21	31.5.20
	£	£
Current tax:		
Tax	44,801	49,810
Deferred tax	(72)	2,276
Total tax expense in income statement	44,729	52,086

Factors affecting the tax expense

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

	31.5.21	31.5.20
	£	£
Profit before income tax	228,618	258,311
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	43,437	49,079
Effects of:		
Depreciation	7,617	7,146
Expenses not deductible for tax purposes	2,718	2,940
Expenses deductible for tax purposes	(7,934)	(7,934)
Capital allowances	(1,037)	(1,421)
Deferred tax arising due to excess capital allowances	(72)	2,276
Tax expense	44,729	52,086

continued...

8. DIVIDENDS

	31.5.21 £	31.5.20 £
Ordinary A shares of £1 each		
Interim	34,188	36,100
Ordinary B shares of £1 each		
Interim	34,280	36,100
Ordinary C shares of £1 each		
Interim	34,501	36,100
XPSL shares of £1 each		
Interim	23,565	-
	126,534	108,300

9. TANGIBLE FIXED ASSETS

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 June 2020	417,272	14,604	3,000	22,061	456,937
Additions	-	-	5,090	24	5,114
At 31 May 2021	417,272	14,604	8,090	22,085	462,051
DEPRECIATION					
At 1 June 2020	27,771	5,472	603	3,771	37,617
Charge for year	27,816	5,472	1,278	5,521	40,087
At 31 May 2021	55,587	10,944	1,881	9,292	77,704
NET BOOK VALUE					
At 31 May 2021	361,685	3,660	6,209	12,793	384,347
At 31 May 2020	389,501	9,132	2,397	18,290	419,320

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.21 £	31.5.20 £
Trade debtors	146,529	140,242
Other debtors	39,321	30,380
	185,850	170,622

continued...

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Trade receivables
The average credit period on revenue sales is 42 days. No interest is charged on outstanding receivables. A receivable from a related party of £nil (2020-£nil) is included within trade receivables. The company does not hold any collateral. The carrying amount of trade and other receivables approximates the fair value.

The company recognises a loss allowance of 4.2% for receivables over 180 days past due because historical experience has indicated that these receivables are generally not recoverable. These accounts include a loss allowance of £6,210 (2020- £7,806).

At 31 May 2021 trade receivables and contract assets of £277,099, (2020-£302,274) were determined to be impaired.

Other than as disclosed below for the expected credit loss rate, there has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table details the risk profile of trade receivables and contract assets based on the company's provision matrix.

Trade receivables and contract assets days past due

Trade receivables and contract assets days past due	Estimated total gross carrying amount at default	Lifetime expected credit losses	Expected credit loss rate
	£	£	
Current	162,137	3,430	2.1%
More than 30 days	27,936	1,339	4.8%
More than 60 days	15,945	717	4.5%
More than 90 days	26,653	1,476	5.5%
More than 120 days	44,428	2,898	4.4%
	277,099	9,860	

Trade receivables and contract assets	2021	2020
	£	£
Trade receivables	146,529	148,048
Contract assets	130,570	154,226
	277,099	302,274
Expected credit losses	(9,860)	(13,185)
Net trade receivables and contract assets	267,239	289,089

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.5.21	31.5.20
	£	£
Leases (see note 13)	26,032	26,982
Trade creditors	42,327	45,157
Tax	(2,389)	(2,190)
Social security and other taxes	12,294	16,380
VAT	115,969	126,301
Other creditors	51,039	65,114
Directors' current accounts	12,287	66,392
Accrued expenses	20,469	20,943
	278,028	365,079

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

	31.5.21	31.5.20
	£	£
Leases (see note 13)	348,820	375,321

continued...

13. FINANCIAL LIABILITIES - BORROWINGS

	31.5.21	31.5.20
	£	£
Current:		
Leases (see note 14)	26,032	26,982
Non-current:		
Leases (see note 14)	348,820	375,321

Terms and debt repayment schedule

	1 year or less	1-2 years	2-5 years	More than 5 years	Totals
	£	£	£	£	£
Leases	26,032	23,592	24,473	300,755	374,852

14. LEASING

Right-of-use assets

Tangible fixed assets

	31.5.21	31.5.20
	£	£
COST		
At 1 June 2020	431,876	14,604
Additions	-	417,272
	431,876	431,876
DEPRECIATION		
At 1 June 2020	33,243	-
Charge for year	33,288	33,243
	66,531	33,243
NET BOOK VALUE	365,345	398,633

continued...

17. RESERVES

	Retained earnings £
At 1 June 2020	97,925
Profit for the year	183,889
Dividends	(126,534)
At 31 May 2021	155,280

18. RELATED PARTY DISCLOSURES

JOHNSON HUNT WEALTH MANAGEMENT LIMITED
John White, Leonard Booth and Christopher Hunt are directors of Johnson Hunt Wealth Management Limited. The company operates it's trade from the same building as Pelham Accountants 2019 Limited. Pelham Accountants 2019 Limited charges for utilities and administration to Johnson Hunt Wealth Management Limited. Total invoiced for the year was £23,525 (2020 £38,560). There was nothing outstanding at the year end. These charges ceased on 28th February 2021.

PROPERTY
The property from which Pelham Accountants 2019 Limited operates is 50% owned by the wife of John White. The 50% paid for right of use is £18,000 for the year. Nothing was outstanding at the year end.