

**UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
TOPEK SOUTHERN LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Page
Company Information	1
Balance Sheet	2
Notes to the Financial Statements	4

TOPEK SOUTHERN LIMITED
COMPANY INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2021

DIRECTORS:

D Copeland
C Hounsell

SECRETARY:

Mrs C Ferguson

REGISTERED OFFICE:

272 Bath Street
Glasgow
G2 4JR

REGISTERED NUMBER:

SC361395 (Scotland)

ACCOUNTANTS:

Lewis Brownlee (Chichester) Limited
Chartered Accountants
Appledram Barns
Birdham Road
Chichester
West Sussex
PO20 7EQ

TOPEK SOUTHERN LIMITED (REGISTERED NUMBER: SC361395)

**BALANCE SHEET
31 AUGUST 2021**

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	4		363,703		180,084
CURRENT ASSETS					
Debtors	5	5,041,284		3,307,247	
Cash at bank		3,307,298		<u>1,588,901</u>	
		8,348,582		4,896,148	
CREDITORS					
Amounts falling due within one year	6	3,774,380		<u>2,668,214</u>	
NET CURRENT ASSETS			4,574,202		<u>2,227,934</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,937,905		2,408,018
CREDITORS					
Amounts falling due after more than one year	7		(339,618)		(245,833)
PROVISIONS FOR LIABILITIES	10		(79,570)		<u>(24,076)</u>
NET ASSETS			4,518,717		<u>2,138,109</u>
CAPITAL AND RESERVES					
Called up share capital			100		100
Retained earnings			4,518,617		<u>2,138,009</u>
			4,518,717		<u>2,138,109</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 August 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 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.

BALANCE SHEET - continued
31 AUGUST 2021

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

In accordance with Section 444 of the Companies Act 2006, the Statement of Income and Retained Earnings has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 23 May 2022 and were signed on its behalf by:

D Copeland - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. STATUTORY INFORMATION

Topek Southern Limited is a private company, limited by shares, registered in Scotland. 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 preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Grant income

Grants that become receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Tangible fixed assets

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

Plant and machinery	- 25% on cost
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Income and Retained Earnings.

Financial instruments

Financial instruments are classified by the director as basic or advanced following the conditions in FRS 102 section 11. Basic financial instruments are recognised at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost. The company has no advanced financial instruments.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

2. **ACCOUNTING POLICIES - continued**

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

Deferred tax

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

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

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account using the effective interest method.

Pension costs and other post-retirement benefits

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 29 (2020 - 22) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

4. TANGIBLE FIXED ASSETS

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 September 2020	20,935	14,565	206,805	127,318	369,623
Additions	4,503	14,649	230,342	36,856	286,350
Disposals	-	-	(12,445)	-	(12,445)
At 31 August 2021	<u>25,438</u>	<u>29,214</u>	<u>424,702</u>	<u>164,174</u>	<u>643,528</u>
DEPRECIATION					
At 1 September 2020	19,884	9,189	97,782	62,684	189,539
Charge for year	872	3,770	60,999	27,497	93,138
Eliminated on disposal	-	-	(2,852)	-	(2,852)
At 31 August 2021	<u>20,756</u>	<u>12,959</u>	<u>155,929</u>	<u>90,181</u>	<u>279,825</u>
NET BOOK VALUE					
At 31 August 2021	<u>4,682</u>	<u>16,255</u>	<u>268,773</u>	<u>73,993</u>	<u>363,703</u>
At 31 August 2020	<u>1,051</u>	<u>5,376</u>	<u>109,023</u>	<u>64,634</u>	<u>180,084</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Motor vehicles	<u>220,577</u>	<u>18,871</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	341,374	407,053
Amounts owed by group undertakings	1,962,493	1,471,149
Amounts recoverable on contracts	2,508,322	1,309,619
Other debtors	143,407	47,960
Prepayments and accrued income	85,688	71,466
	<u>5,041,284</u>	<u>3,307,247</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Bank loans and overdrafts (see note 8)	50,000	4,167
Trade creditors	1,138,765	254,988
Amounts payable on contracts	1,344,215	1,425,370
Corporation Tax	556,969	196,987
Social security and other taxes	105,577	64,175
VAT	312,497	419,689
Other creditors	8,982	6,373
Obligations under finance lease and hire purchase	72,727	25,219
Accruals and deferred income	184,648	271,246
	<u>3,774,380</u>	<u>2,668,214</u>

Obligations under finance lease and hire purchase contracts are secured on the assets being purchased.

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

	2021	2020
	£	£
Bank loans (see note 8)	195,833	245,833
Obligations under finance lease and hire purchase	143,785	-
	<u>339,618</u>	<u>245,833</u>

Amounts falling due in more than five years:

Repayable by instalments		
Bank loans more 5 yr by instal	-	45,833

Obligations under finance lease and hire purchase contracts are secured on the assets being purchased.

8. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year or on demand:		
Bank loans	50,000	4,167
Amounts falling due between one and two years:		
Bank loans - 1-2 years	50,000	50,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	145,833	150,000
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	-	45,833

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

8. LOANS - continued

Bank loans comprise:

	Maturity date	Fixed interest rate	Monthly repayment	2021	Carrying amount 2020
			£	£	£
Coronavirus business interruption loan	2026	3.19%	4,167	<u>245,833</u>	<u>250,000</u>

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	20,206	22,792
Between one and five years	<u>38,842</u>	<u>59,048</u>
	<u>59,048</u>	<u>81,840</u>

10. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax	<u>79,570</u>	<u>24,076</u>

	Deferred tax
	£
Balance at 1 September 2020	24,076
Accelerate capital allowances	<u>55,494</u>
Balance at 31 August 2021	<u>79,570</u>

The deferred tax rate used is 25% as set out in the government's Budget (2021: 19%).

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