

Registered number: 02944618

AJS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

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AJS LTD

COMPANY INFORMATION

Directors	P J O'Connor Mrs S H O'Connor
Company secretary	Mrs S H O'Connor
Registered number	02944618
Registered office	Farley House Kinvara Business Park 22-42 Freshwater Road Dagenham Essex RM8 1RY
Independent auditor	Barnes Roffe LLP Chartered Accountants Statutory Auditor Leytonstone House Leytonstone London E11 1GA

AJS LTD

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AJS LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2020

Introduction

The directors present their strategic report for the year ended 31 March 2020. The strategic report includes discussion of significant matters that impact the development and performance of the business for the year.

Business review

The principal activity of the Company continues to be that of installation, upgrades and repairs, compliance testing, PPM and certification. Our Clients are drawn from public and private sectors and include housing, commercial and retail.

The Directors consider the results for the year to be within expectation and are positive in their outlook for the coming financial year based on this year's strong financial performance.

Future developments

The Company plans to build on its reputation by continuing to train and increase knowledge, so it can deliver a quality service without compromise.

The Company has established a strong committed order book and remains positive about the future outlook.

The directors aim to continue to focus on the growth of the Company and to build on its strong reputation within the Fire & Security and Electrical sectors.

Principal risks and uncertainties

The economic risks and uncertainty surrounding the COVID-19 situation continue to remain a risk for the Company. However the Company has continued to perform well despite the challenges and impact inflicted by the pandemic on our work streams.

Competition in the market place as always continues to be a risk to the Company, with price pressure to secure new business and successfully tender existing contracts increasing the threat of margin erosion.

The Company meets its day-to-day working capital requirements through its cash flow, and forecasts show that the Company will be able to operate within the level of its current facilities.

Financial key performance indicators

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company, these being turnover and gross profit:

Turnover £19.793m (2019 - £15.955m);

Gross profit £3.571m (2019 - £2.528m).

Gross profit percentage 18.0% (2019 - 15.8%)

This report was approved by the board on 24 November 2020 and signed on its behalf.


P J O'Connor
Director

AJS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2020

The directors present their report and the financial statements for the year ended 31 March 2020.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments 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 to 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.

Results and dividends

The profit for the year, after taxation, amounted to £1,167,603 (2019 - £769,925).

The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year were:

P J O'Connor
Mrs S H O'Connor

AJS LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2020**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

This report was approved by the board on *24th November 2020* and signed on its behalf.



P J O'Connor
Director

AJS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AJS LTD

Opinion

We have audited the financial statements of AJS Ltd (the 'Company') for the year ended 31 March 2020, which comprise the Statement of income and retained earnings, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The 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.

AJS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AJS LTD (CONTINUED)

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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the 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 the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which 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 Directors' responsibilities statement on page 2, 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.

AJS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AJS LTD (CONTINUED)

Auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

Use of our report

This report is made solely to the Company's members 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 for our audit work, for this report, or for the opinions we have formed.



Andrew May (Senior statutory auditor)
for and on behalf of

Barnes Roffe LLP

Chartered Accountants

Statutory Auditor

Leytonstone House

Leytonstone

London

E11 1GA

Date: 25 November 2020

AJS LTD

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2020**

	Note	2020 £	2019 £
Turnover	4	19,792,892	15,955,457
Cost of sales		(16,221,478)	(13,427,832)
Gross profit		3,571,414	2,527,625
Administrative expenses		(2,370,034)	(2,125,565)
Operating profit		1,201,380	402,060
Interest receivable and similar income	8	11,521	3,525
Interest payable and similar charges	9	(3,615)	(423)
Profit before tax		1,209,286	405,162
Tax on profit	10	(41,683)	364,763
Profit after tax		1,167,603	769,925
Retained earnings at the beginning of the year		2,947,710	2,177,785
Profit for the year		1,167,603	769,925
Retained earnings at the end of the year		4,115,313	2,947,710

There were no recognised gains and losses for 2020 or 2019 other than those included in the statement of income and retained earnings.

The notes on pages 11 to 21 form part of these financial statements.

AJS LTD
REGISTERED NUMBER: 02944618

BALANCE SHEET
AS AT 31 MARCH 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	11	122,715	150,850
Current assets			
Stocks	12	2,453	17,453
Debtors: amounts falling due within one year	13	5,041,163	3,739,654
Cash at bank and in hand		3,337,919	2,409,111
		<u>8,381,535</u>	<u>6,166,218</u>
Creditors: amounts falling due within one year	14	(4,388,935)	(3,369,356)
Net current assets		<u>3,992,600</u>	<u>2,796,862</u>
Net assets		<u><u>4,115,315</u></u>	<u><u>2,947,712</u></u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		4,115,313	2,947,710
		<u><u>4,115,315</u></u>	<u><u>2,947,712</u></u>

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

24th NOVEMBER 2020

P J O'Connor
 Director



The notes on pages 11 to 21 form part of these financial statements.

AJS LTD

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2020**

	2020 £	2019 £
Cash flows from operating activities		
Profit for the financial year	1,167,603	769,925
Adjustments for:		
Depreciation of tangible assets	39,939	50,058
Interest paid	3,615	423
Interest received	(11,521)	(3,525)
Taxation charge	41,683	(364,763)
Decrease in stocks	15,000	12,068
(Increase)/decrease in debtors	(1,667,051)	755,429
Increase in creditors	981,339	796,427
Corporation tax received/(paid)	362,099	(57,120)
Net cash generated from operating activities	<u>932,706</u>	<u>1,958,922</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(11,804)	(2,638)
Interest received	11,521	3,525
Net cash from investing activities	<u>(283)</u>	<u>887</u>
Cash flows from financing activities		
Interest paid	(3,615)	(423)
Net cash used in financing activities	<u>(3,615)</u>	<u>(423)</u>
Net increase in cash and cash equivalents	<u>928,808</u>	<u>1,959,386</u>
Cash and cash equivalents at beginning of year	2,409,111	449,725
Cash and cash equivalents at the end of year	<u><u>3,337,919</u></u>	<u><u>2,409,111</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u><u>3,337,919</u></u>	<u><u>2,409,111</u></u>

The notes on pages 11 to 21 form part of these financial statements.

AJS LTD

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2020**

	At 1 April 2019 £	Cash flows £	At 31 March 2020 £
Cash at bank and in hand	2,409,111	928,808	3,337,919
	<u>2,409,111</u>	<u>928,808</u>	<u>3,337,919</u>

The notes on pages 11 to 21 form part of these financial statements.

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

1. GENERAL INFORMATION

AJS Ltd ("the Company") is a private company limited by shares, incorporated in England and Wales. Its registered office is Farley House, Kinvara Business Park, 22-42 Freshwater Road, Dagenham, Essex, RM8 1RY.

The principal activity of the company continued to be that of electrical contractors.

2. Accounting policies

2.1 Basis of preparation of financial statements

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors are not aware of any circumstances likely to arise which may cause the going concern basis to be inappropriate.

2.3 Revenue

Turnover is measured by reference to the stage of completion of the contract activity.

The company recognises revenue when the amount of revenue can be measured reliably, when it is probable that future economic benefits will flow to the company and when specific criteria have been met as described below.

Long term contracts

Profit on long term contracts is taken as the work carried out if the final outcome can be assessed with reasonable certainty. The profit included is calculated on a prudent basis to reflect the proportion of the work carried out at the year end, by recording turnover and related costs as contract activity progresses. Turnover is recognised relative to the stage of completion of the contract. Revenues derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, provided on the following annual bases:

Plant and machinery	- 33% straight line
Motor vehicles	- 25% reducing balance
Computer and office equipment	- 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings on a straight line basis over the lease term.

2.6 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.8 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

2.9 Creditors

Short term creditors are measured at the transaction price.

2.10 Pensions

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payments obligations.

The contributions are recognised as an expense in the statement of income and retained earnings when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.11 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

2. Accounting policies (continued)

2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.13 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgments 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.

a) Critical judgments in applying accounting policies

The company does not consider there to be any critical judgments in applying accounting policies.

b) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

i) Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors, and historical experience. See note 13 for the net carrying amount of the debtors.

ii) Contracts

The Company applies a general policy of recognising profit on contracts only when the final outcome can be assessed with reasonable certainty. In doing so the directors have made key assumptions regarding the future costs to complete the contracts.

4. Turnover

An analysis of turnover by class of business is as follows:

	2020 £	2019 £
Contract revenue	<u>19,792,892</u>	<u>15,955,457</u>

Analysis of turnover by country of destination:

	2020 £	2019 £
United Kingdom	<u>19,792,892</u>	<u>15,955,457</u>

5. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £ (2019 -).

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

6. Employees

	2020 £	2019 £
Wages and salaries	1,979,374	2,277,367
Social security costs	67,436	86,760
Cost of defined contribution scheme	16,988	14,823
	<u>2,063,798</u>	<u>2,378,950</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Directors	2	2
Managers	2	1
Administration	14	15
Site workers	6	11
	<u>24</u>	<u>29</u>

7. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	<u>21,887</u>	<u>24,277</u>

8. Interest receivable and similar income

	2020 £	2019 £
Other interest	<u>11,521</u>	<u>3,525</u>

AJS LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

9. Interest payable and similar expenses

	2020 £	2019 £
Other interest	3,615	423
	<u>3,615</u>	<u>423</u>

10. Taxation

	2020 £	2019 £
Corporation tax		
Current tax on profits for the year	-	(156,193)
Adjustments in respect of previous periods	38,240	(205,906)
	<u>38,240</u>	<u>(362,099)</u>
Total current tax	<u>38,240</u>	<u>(362,099)</u>
Deferred tax		
Origination and reversal of timing differences	3,443	(2,664)
Total deferred tax	<u>3,443</u>	<u>(2,664)</u>
Taxation on profit/(loss) on ordinary activities	<u>41,683</u>	<u>(364,763)</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2019 - *lower than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	1,209,286	405,162
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)	229,764	76,981
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	241	1,633
Capital allowances for year in excess of depreciation	1,432	2,144
Utilisation of tax losses	(50,108)	-
Adjustments to tax charge in respect of prior periods	38,240	-
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge	(181,330)	(447,109)
Other differences leading to an increase (decrease) in the tax charge	3,444	1,588
Total tax charge for the year	41,683	(364,763)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

11. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Computer and office equipment £	Total £
Cost or valuation				
At 1 April 2019	47,692	45,488	286,767	379,947
Additions	11,804	-	-	11,804
At 31 March 2020	<u>59,496</u>	<u>45,488</u>	<u>286,767</u>	<u>391,751</u>
Depreciation				
At 1 April 2019	19,894	20,434	188,769	229,097
Charge for the year on owned assets	8,918	6,264	24,757	39,939
At 31 March 2020	<u>28,812</u>	<u>26,698</u>	<u>213,526</u>	<u>269,036</u>
Net book value				
At 31 March 2020	<u>30,684</u>	<u>18,790</u>	<u>73,241</u>	<u>122,715</u>
At 31 March 2019	<u>27,798</u>	<u>25,054</u>	<u>97,998</u>	<u>150,850</u>

12. Stocks

	2020 £	2019 £
Raw materials and consumables	<u>2,453</u>	<u>17,453</u>

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

13. Debtors

	2020 £	2019 £
Trade debtors	3,218,765	2,020,208
Other debtors	-	373,299
Sales retentions	94,653	214,265
Prepayments and accrued income	31,702	34,935
Amounts recoverable on long term contracts	1,693,240	1,090,701
Deferred taxation	2,803	6,246
	<u>5,041,163</u>	<u>3,739,654</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	1,248,715	1,041,675
Corporation tax	38,240	-
Other taxation and social security	198,912	593,754
Other creditors	49,454	37,947
Accruals and deferred income	2,853,614	1,695,980
	<u>4,388,935</u>	<u>3,369,356</u>

15. Deferred taxation

	2020 £	2019 £
At beginning of year	6,246	3,582
Credited to profit or loss	(3,443)	2,664
At end of year	<u>2,803</u>	<u>6,246</u>

AJS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020**

15. Deferred taxation (continued)

The deferred tax asset is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	2,803	6,246

16. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £16,988 (2019 - £14,823). Contributions totalling £3,933 (2019 - £2,663) were payable to the fund at the balance sheet date and are included in creditors.

17. Commitments under operating leases

At 31 March 2020 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	210,855	211,380
Later than 1 year and not later than 5 years	768,000	768,000
Later than 5 years	290,893	482,893
	<u>1,269,748</u>	<u>1,462,273</u>

18. Related party transactions

During the period the company hired equipment and vehicles and was charged a management charge by a company under the common control of a director totalling £915,223 (2019 - £401,564). During the period the company paid rental charges of £192,000 (2019 - £192,000) to a company under the common control of a director. During the period the company made purchases of £2,426,028 (2019 - £888,847), and sales of £Nil (2019 - £51,841) to companies under the common control of a director.

At the year end, the company was owed £Nil (2019 - £11,200) by companies under the common control of a director.

19. Controlling party

The company considers P J O'Connor to be the ultimate controlling party.