
AJS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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

CONTENTS

	Page
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 7
Statement of income and retained earnings	8
Balance sheet	9
Statement of cash flows	10
Analysis of net debt	11
Notes to the financial statements	12 - 22

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

Introduction

The directors' present their strategic report for the year ended 31 March 2022. 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 are pleased with the results for the year which are in line with expectations and are positive in their outlook for the coming financial year based on this year's strong financial performance and the current pipeline.

Future developments

The Company plans to continue 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 Company has continued to perform well despite the challenges and impact inflicted by the pandemic on our work streams.

The concern around inflation, the impact on costs and the shortage of labour continue to be a challenge but the directors feel they are well placed and have the systems and controls in place to mitigate these risks.

Competition in the market place as always continues to be a risk to the Company, with price pressure to secure new business and successfully retender 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 £26.692m (2021 - £26.363m);

Gross profit £4.125m (2021 - £4.021m).

Gross profit percentage 15.5% (2021 - 15.3%)

This report was approved by the board on 13 July 2022 and signed on its behalf.

P J O'Connor
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2022**

The directors present their report and the financial statements for the year ended 31 March 2022.

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 £1,535,329 (2021 - £1,008,645).

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

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022

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 13 July 2022 and signed on its behalf.

P J O'Connor

Director

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 2022, 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 2022 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

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 financial statements are 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.

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

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 set out 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the relevant sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and ISO standards;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations;
- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

The areas that we identified as being susceptible to misstatement through fraud were:

- Management bias in the estimates and judgements made; and
- Management override of controls.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

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

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.

Andrew May (Senior statutory auditor)
for and on behalf of
Barnes Roffe LLP
Chartered Accountants

Statutory Auditor
Leytonstone House
Leytonstone
London
E11 1GA

19 July 2022

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2021 £
Turnover	4	26,691,828	26,362,591
Cost of sales		(22,566,521)	(22,341,393)
Gross profit		4,125,307	4,021,198
Administrative expenses		(2,218,818)	(2,817,096)
Other operating income	5	-	46,934
Operating profit		1,906,489	1,251,036
Interest receivable and similar income	9	353	2,386
Interest payable and similar charges	10	(9,306)	(6,545)
Profit before tax		1,897,536	1,246,877
Tax on profit	11	(362,207)	(238,232)
Profit after tax		1,535,329	1,008,645
Retained earnings at the beginning of the year		5,123,958	4,115,313
Profit for the year		1,535,329	1,008,645
Retained earnings at the end of the year		6,659,287	5,123,958

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 12 to 22 form part of these financial statements.

AJS LTD
REGISTERED NUMBER: 02944618

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	68,278	91,670
Current assets			
Stocks	13	17,400	56,250
Debtors: amounts falling due within one year	14	6,518,535	6,658,636
Cash at bank and in hand		6,319,609	4,174,684
		<u>12,855,544</u>	<u>10,889,570</u>
Creditors: amounts falling due within one year	15	(6,264,533)	(5,857,280)
Net current assets		6,591,011	5,032,290
Net assets		<u>6,659,289</u>	<u>5,123,960</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		6,659,287	5,123,958
		<u>6,659,289</u>	<u>5,123,960</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 July 2022.

P J O'Connor
Director

The notes on pages 12 to 22 form part of these financial statements.

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	1,535,329	1,008,645
Adjustments for:		
Depreciation of tangible assets	23,392	31,045
Interest paid	9,306	6,545
Interest received	(353)	(2,386)
Taxation charge	362,207	238,232
Decrease/(increase) in stocks	38,850	(53,797)
Decrease/(increase) in debtors	141,520	(1,616,856)
Increase in creditors	282,476	1,268,092
Corporation tax (paid)	(238,849)	(38,596)
Net cash generated from operating activities	<u>2,153,878</u>	<u>840,924</u>
Cash flows from investing activities		
Interest received	353	2,386
Net cash from investing activities	<u>353</u>	<u>2,386</u>
Cash flows from financing activities		
Interest paid	(9,306)	(6,545)
Net cash used in financing activities	<u>(9,306)</u>	<u>(6,545)</u>
Net increase in cash and cash equivalents	<u>2,144,925</u>	<u>836,765</u>
Cash and cash equivalents at beginning of year	4,174,684	3,337,919
Cash and cash equivalents at the end of year	<u><u>6,319,609</u></u>	<u><u>4,174,684</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	6,319,609	4,174,684
	<u><u>6,319,609</u></u>	<u><u>4,174,684</u></u>

The notes on pages 12 to 22 form part of these financial statements.

AJS LTD

ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2022

	At 1 April 2021	Cash flows	At 31 March
	£	£	2022 £
Cash at bank and in hand	4,174,684	2,144,925	6,319,609
	<u>4,174,684</u>	<u>2,144,925</u>	<u>6,319,609</u>

The notes on pages 12 to 22 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 2022**

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	- 25% reducing balance
Motor vehicles	- 25% reducing balance
Computer and office equipment	- 25% reducing balance

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 2022**

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 Government grants

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.12 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 profit or loss 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 2022**

2. Accounting policies (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

2.14 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

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 14 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:

	2022	2021
	£	£
Contract revenue	<u>26,691,828</u>	<u>26,362,591</u>

Analysis of turnover by country of destination:

	2022	2021
	£	£
United Kingdom	<u>26,691,828</u>	<u>26,362,591</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

5. Other operating income

	2022 £	2021 £
CJRS income	-	46,934

6. Auditor's remuneration

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £13,000 (2021 - 13,000).

7. Employees

	2022 £	2021 £
Wages and salaries	2,544,124	2,174,198
Social security costs	116,096	101,430
Cost of defined contribution scheme	27,959	24,710
	<u>2,688,179</u>	<u>2,300,338</u>

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

	2022 No.	2021 No.
Directors	2	2
Managers	5	5
Administration	15	15
Site workers	11	8
	<u>33</u>	<u>30</u>

8. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	<u>25,700</u>	<u>21,871</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9. Interest receivable and similar income

	2022 £	2021 £
Other interest	<u>353</u>	<u>2,386</u>

10. Interest payable and similar charges

	2022 £	2021 £
Other interest	<u>9,306</u>	<u>6,545</u>

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	363,626	238,849
Total current tax	<u>363,626</u>	<u>238,849</u>
Deferred tax		
Origination and reversal of timing differences	(1,419)	(617)
Total deferred tax	<u>(1,419)</u>	<u>(617)</u>
Taxation on profit on ordinary activities	<u>362,207</u>	<u>238,232</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>1,897,536</u>	<u>1,246,877</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	360,532	236,907
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	1,281	(747)
Depreciation for year in excess of capital allowances	1,555	2,361
Other differences leading to an increase / (decrease) in the tax charge	(1,161)	(289)
Total tax charge for the year	<u><u>362,207</u></u>	<u><u>238,232</u></u>

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

12. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Computer and office equipment £	Total £
Cost or valuation				
At 1 April 2021	59,496	45,488	286,767	391,751
At 31 March 2022	59,496	45,488	286,767	391,751
Depreciation				
At 1 April 2021	36,483	31,396	232,202	300,081
Charge for the year on owned assets	5,754	3,523	14,115	23,392
At 31 March 2022	42,237	34,919	246,317	323,473
Net book value				
At 31 March 2022	17,259	10,569	40,450	68,278
At 31 March 2021	23,013	14,092	54,565	91,670

13. Stocks

	2022 £	2021 £
Spare parts	17,400	56,250

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Debtors

	2022 £	2021 £
Trade debtors	2,688,141	2,930,682
Sales retentions	81,199	208,994
Prepayments and accrued income	34,731	30,701
Amounts recoverable on long term contracts	3,709,625	3,484,839
Deferred taxation	4,839	3,420
	<u>6,518,535</u>	<u>6,658,636</u>

15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	2,132,292	1,736,264
Corporation tax	363,270	238,493
Other taxation and social security	1,153,983	375,641
Other creditors	12,317	44,786
Accruals and deferred income	2,602,671	3,462,096
	<u>6,264,533</u>	<u>5,857,280</u>

16. Deferred taxation

	2022 £	2021 £
At beginning of year	3,420	2,803
Credited to profit or loss	1,419	617
At end of year	<u>4,839</u>	<u>3,420</u>

The deferred tax asset is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	<u>4,839</u>	<u>3,420</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

17. 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 £27,959 (2021 - £24,710). Contributions totalling £6,738 (2021 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

18. Commitments under operating leases

At 31 March 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	211,995	211,995
Later than 1 year and not later than 5 years	576,000	768,000
	<u>787,995</u>	<u>979,995</u>

19. 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 £4,763,350 (2021 - £2,042,672).

During the period the company paid rental charges of £230,400 (2021 - £192,000) to a company under the common control of a director.

During the period the company made purchases of £3,155,027 (2021 - £6,454,569) and sales of £51,722 (2021 - £37,624) to companies under the common control of a director.

At the year end the company was owed £Nil (2021 - £3,254) by companies under the common control of a director.

At the year end the company owed £Nil (2021 - £6,400) to companies under the common control of a director.

20. Controlling party

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

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.