

Company Registration No. 00924170 (England and Wales)

BESTPLATE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

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BESTPLATE LIMITED

COMPANY INFORMATION

Directors	G Zell T McNamee
Secretary	B Zell
Company number	00924170
Registered office	Zell-Em Group House Snowdon Road Lytham St. Annes Lancashire United Kingdom FY8 3FR
Auditor	Azets Audit Services St. Crispin House St. Crispin Way Haslingden Rossendale Lancashire United Kingdom BB4 4PW

BESTPLATE LIMITED

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BESTPLATE LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present the strategic report for the year ended 30 June 2021.

Fair review of the business

The results for the year and the financial position at the year end were considered satisfactory by the directors, in view of the very difficult trading conditions experienced against the backdrop of the pandemic. The company continues to look for suitable growth opportunities moving forward.

The company's new modern trading premises together with recent large investment into new machinery and technology allows the group to operate more efficiently.

This investment allows the group to be more efficient in its day to day operations enabling cost savings to be passed on to our customer base. This allows the company to be more competitive in a very competitive market.

We recently further invested in an ultra modern "state of the art" test laboratory. These facilities have enabled us to be in a position to implement the new standard BSAU 145e, develop new products and most importantly ensure our customers receive the highest quality products consistently.

We listen to our customers' requirements, to ensure we deliver the highest level of customer service, value for money and a quality, tested product.

Principal risks and uncertainties

The principal risk to the company is the competitive market, and the continued impact COVID-19 could have on the wider economy.

At the time these financial statements were approved, we have come through 2 years experiencing the impact of COVID-19 and we are currently operating in an economy experiencing high levels of inflation. The directors consider that the company's satisfactory performance during such challenging times, along with the group's strong cash reserves, leaves us well placed to overcome the anticipated challenges going forward.

On behalf of the board



T McNamee

Director

29 MAR 2022

Date:

BESTPLATE LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The principal activity of the company continued to be that of the manufacture of number plates.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

G Zell

T McNamee

Results and dividends

The results for the year are set out on page 9.

Ordinary dividends were paid amounting to £475,725. The directors do not recommend payment of a final dividend.

Financial instruments

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

The group's principal financial instruments comprise bank balances, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of allowances for doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.

Auditor

The auditor, Azets Audit Services (formerly Baldwins Audit Services), is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

BESTPLATE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Matters covered in the strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

On behalf of the board



T McNamee
Director

Date: 29 MAR 2022

BESTPLATE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 JUNE 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

BESTPLATE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BESTPLATE LIMITED

Opinion

We have audited the financial statements of Bestplate Limited (the 'company') for the year ended 30 June 2021 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 30 June 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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.

Opinions on other matters prescribed by the Companies Act 2006

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

BESTPLATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BESTPLATE LIMITED

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 and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor'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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

BESTPLATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BESTPLATE LIMITED

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

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 of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

BESTPLATE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF BESTPLATE LIMITED

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.

Azets Audit Services

Simon Read (Senior Statutory Auditor)
For and on behalf of Azets Audit Services

29 MAR 2022

Date:

Chartered Accountants
Statutory Auditor

St. Crispin House
St. Crispin Way
Haslingden
Rossendale
Lancashire
United Kingdom
BB4 4PW

BESTPLATE LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 30 JUNE 2021

	Notes	2021 £	2020 £
Turnover		9,885,420	8,773,890
Cost of sales		(9,485,517)	(7,927,111)
Gross profit		399,903	846,779
Administrative expenses		(715,985)	(1,076,951)
Other operating income		318,741	163,530
Operating profit/(loss)	3	2,659	(66,642)
Interest receivable and similar income	6	2,483	7,605
Profit/(loss) before taxation		5,142	(59,037)
Tax on profit/(loss)	7	(59,087)	25,247
Loss for the financial year		(53,945)	(33,790)
Retained earnings brought forward		3,385,845	3,895,360
Dividends	8	(475,725)	(475,725)
Retained earnings carried forward		2,856,175	3,385,845

The profit and loss account has been prepared on the basis that all operations are continuing operations.

BESTPLATE LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	9		3,144,270		3,326,471
Current assets					
Stocks	10	995,277		869,265	
Debtors	11	1,522,681		1,256,209	
Cash at bank and in hand		2,185,834		1,187,497	
		<u>4,703,792</u>		<u>3,312,971</u>	
Creditors: amounts falling due within one year	12	<u>(4,765,178)</u>		<u>(3,061,742)</u>	
Net current (liabilities)/assets			(61,386)		251,229
Total assets less current liabilities			<u>3,082,884</u>		<u>3,577,700</u>
Provisions for liabilities					
Deferred tax liability	13	<u>165,929</u>		<u>131,075</u>	
			(165,929)		(131,075)
Net assets			<u>2,916,955</u>		<u>3,446,625</u>
Capital and reserves					
Called up share capital	16		11,343		11,343
Share premium account			49,437		49,437
Profit and loss reserves			<u>2,856,175</u>		<u>3,385,845</u>
Total equity			<u>2,916,955</u>		<u>3,446,625</u>

The financial statements were approved by the board of directors and authorised for issue on 29 MAR 2022
and are signed on its behalf by:



T McNamee
Director

Company Registration No. 00924170

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Bestplate Limited is a private company limited by shares incorporated in England and Wales. The registered office is Zell-Em Group House, Snowdon Road, Lytham St. Annes, Lancashire, United Kingdom, FY8 3FR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Zell-Em Group Limited. These consolidated financial statements are available from its registered office, Zell-Em Group House Snowdon Road Lytham St Annes Lancashire FY8 3FR.

1.2 Going concern

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

The directors have confirmed the wider group will provide continuing financial support to all companies within the group, including this company.

Despite uncertainty surrounding the impact of COVID-19, the directors consider that the availability of Government support packages, alongside the group's strong cash position, places the group in a strong position to overcome the challenges that may arise over the coming months. As a result, the directors consider it appropriate to prepare the financial statements on a going concern basis.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Plant and equipment	15% straight line
Fixtures and fittings	15% straight line
Computers	33.3% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.6 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are measured at transaction price including transaction costs.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans and loans from fellow group companies are initially recognised at transaction. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The directors have applied judgement in releasing grant income to profit and loss in respect of the company meeting relevant performance conditions.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Stock provision

A key area of judgement and estimation uncertainty that has a significant effect on the amounts recognised in the financial statements is in regard to any provision for impairment of stock. Management monitor the ageing of stock, along with market trends and conditions, in determining whether a provision is required in relation to particular stock items.

3 Operating profit/(loss)

	2021	2020
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange gains	(783)	(168)
Government grants	(318,741)	(163,530)
Fees payable to the company's auditor for the audit of the company's financial statements	8,700	7,600
Depreciation of owned tangible fixed assets	182,201	187,076

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021	2020
	Number	Number
Production	15	21
Distribution	7	9
Administrative	27	21
Total	49	51

Their aggregate remuneration comprised:

	2021	2020
	£	£
Wages and salaries	1,434,593	1,345,732
Social security costs	113,129	136,998
Pension costs	27,658	24,459
	1,575,380	1,507,189

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

5 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	250,000	131,810

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2021 £	2020 £
Remuneration for qualifying services	125,000	-

Directors' remuneration is paid by the parent company and recharged to other group companies, including this company, on an arms length basis.

6 Interest receivable and similar income

	2021 £	2020 £
Interest income		
Interest on bank deposits	2,483	7,605

7 Taxation

	2021 £	2020 £
Current tax		
UK corporation tax on profits for the current period	24,233	-
Adjustments in respect of prior periods	-	(1,236)
Total current tax	24,233	(1,236)
Deferred tax		
Origination and reversal of timing differences	(14,120)	(24,011)
Changes in tax rates	48,974	-
Total deferred tax	34,854	(24,011)
Total tax charge/(credit)	59,087	(25,247)

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

7 Taxation

(Continued)

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit/(loss) before taxation	5,142	(59,037)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	977	(11,217)
Effect of change in corporation tax rate	48,974	-
Other	9,136	(14,030)
Taxation charge/(credit) for the year	59,087	(25,247)

8 Dividends

	2021 £	2020 £
Interim paid	475,725	475,725

9 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost						
At 1 July 2020 and 30 June 2021	3,075,027	711,337	80,828	193,780	25,038	4,086,010
Depreciation and impairment						
At 1 July 2020	265,065	234,123	48,044	187,269	25,038	759,539
Depreciation charged in the year	58,299	106,704	12,123	5,075	-	182,201
At 30 June 2021	323,364	340,827	60,167	192,344	25,038	941,740
Carrying amount						
At 30 June 2021	2,751,663	370,510	20,661	1,436	-	3,144,270
At 30 June 2020	2,809,962	477,214	32,784	6,511	-	3,326,471

Included in freehold land and buildings is land at a cost of £160,000 (2020: £160,000) which is not depreciated.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

10 Stocks

	2021 £	2020 £
Raw materials and consumables	995,277	863,827
Finished goods and goods for resale	-	5,438
	<u>995,277</u>	<u>869,265</u>

11 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	1,215,592	826,312
Corporation tax recoverable	-	2,628
Amounts owed by group undertakings	216,210	305,984
Prepayments and accrued income	90,879	121,285
	<u>1,522,681</u>	<u>1,256,209</u>

12 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Trade creditors		999,178	164,656
Amounts owed to group undertakings		3,214,771	1,711,922
Corporation tax		21,605	-
Other taxation and social security		180,042	326,126
Government grants	14	175,000	350,000
Other creditors		-	24,072
Accruals and deferred income		174,582	484,966
		<u>4,765,178</u>	<u>3,061,742</u>

13 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021 £	Liabilities 2020 £
Balances:		
Accelerated capital allowances	<u>165,929</u>	<u>131,075</u>

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

13 Deferred taxation

(Continued)

	2021 £
Movements in the year:	
Liability at 1 July 2020	131,075
Credit to profit or loss	(14,120)
Effect of change in tax rate - profit or loss	48,974
Liability at 30 June 2021	<u>165,929</u>

14 Deferred grants

	2021 £	2020 £
Arising from government grants	<u>175,000</u>	<u>350,000</u>

Deferred income comprises £175,000 of government grants received in 2015. This grant is contingent upon the company spending an agreed amount relocating to larger premises and safeguarding and creating additional jobs, including apprentices and graduates.

15 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>27,658</u>	<u>24,459</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	6,343	6,343	6,343	6,343
Deferred ordinary shares of £1 each	5,000	5,000	5,000	5,000
	<u>11,343</u>	<u>11,343</u>	<u>11,343</u>	<u>11,343</u>

Each ordinary share carries the right to one vote and to participate in all of the profits of the company distributed by dividend or otherwise and to all profits and surpluses on a winding up.

Each deferred share does not carry the right to vote, but does carry the right to participate in all of the profits of the company distributed by dividend or otherwise and to all profits and surpluses on a winding up.

BESTPLATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

17 Related party transactions

Zell-em Group Limited

Ultimate parent company

During the year, the company incurred recharges from Zell-em Group Limited amounting to £1,690,000 (2020 - £350,000). During the year the company paid dividends to Zell-em Group Limited amounting to £106,250 (2020 - £318,750).

Zell-em Limited

Fellow subsidiary undertaking

During the year, the company made purchases from Zell-em Limited amounting to £127,589 (2020 - £144,475) and incurred service charges amounting to £nil (2020 - £100,000).

Amounts owed to related parties are unsecured, interest free and due for repayment within one year.

18 Directors' transactions

Dividends totalling £156,975 (2020 - £156,975) were paid in the year in respect of shares held by the company's directors.

19 Ultimate controlling party

The immediate and ultimate undertaking is Zell-Em Group Limited, a company incorporated in England. Group financial statements are prepared and are available to the public from Companies House, Crown Way, Cardiff, CF14 3UZ.