

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 31 December 2022  
for  
EFT Systems Limited

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

Contents of the Financial Statements  
for the Year Ended 31 December 2022

	Page
Company Information	1
Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Income Statement	9
Other Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13

**DIRECTORS:**

J Duggan  
A Watts  
R Potter  
P Walker  
K Watts

**REGISTERED OFFICE:**

Cobden House  
39a Cobden Road  
Southport  
Merseyside  
PR9 7TR

**REGISTERED NUMBER:**

01172575 (England and Wales)

**AUDITORS:**

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

Strategic Report  
for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

**REVIEW OF BUSINESS**

The Board of EFT Systems are pleased with the year's results and the business has continued to grow in line with the director's expectations.

A strategic review of the business core disciplines had taken place, which led to the decision of focusing the business on less workstreams, which lead to the margins being improved.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The company is exposed to several key risks and uncertainties which could have a material impact on the long-term performance. The Directors have identified the risks as set out below.

Labour requirements

The market has an extremely limited supply of Life Safety Engineers. To combat this, EFT have heavily invested in Apprentice courses and programmes. A training academy on site was developed to advance the practical skills.

Material costs and supply

The impact of hyperinflation on material and supply chain prices, plus increases in stock delivery time frames has been effectively managed through great contract management and relationships in place with customers that supported the increases in materials without a major delay from the prices increasing to the additional costs being recovered and the robust supply chain we have in place for delivery of works in peak periods, which is longstanding and trusted.

The company continues to focus on communication with all customers to manage expectations and deliver the highest quality work.

Departmental restructuring took place during year. This major investment led to greater controls of the business outcomes and increased customer satisfaction and profitability.

**KEY PERFORMANCE INDICATORS**

The Key Performance Indicators for the business continue to be Gross and Net profitability. Gross Profit increased with the consolidation of core discipline activities and more efficient delivery, this result was especially pleasing in the current volatile market. Net Profit performance has improved through the prior year invest in People and Processes which delivered improved retention rates and indirect operational efficiencies.

**FUTURE DEVELOPMENTS**

The delivery of the Strategic Review, completed in 2021 on IT platform investment was commissioned in quarter 4 of 2022. This digital investment will focus on Operational efficiencies and continue to enhance Profit. The initial set up and design costs of internal resources were borne in the 2022 trading accounts with a quarter 1 2023 delivery date planned for Go Live.

Strategic Report  
for the Year Ended 31 December 2022

**FINANCIAL RISK MANAGEMENT**

Outside of leasing debt the only debt in the business is cbils loan, which is planned to be paid in full within the next 12 months. The business has continued to generate a positive cashflow and therefore no reliance is required on overdrafts or other debt.

Credit risk, liquidity risk and cash flow risk

Credit Risk - The company undertakes assessments of its customer base periodically and upon inception to manage and reduce the impact of credit risk

Liquidity risk - The company aims to mitigate risk by managing cash that is generated through the Operation

**ON BEHALF OF THE BOARD:**

A Watts - Director

27 September 2023

Report of the Directors  
for the Year Ended 31 December 2022

The directors present their report with the financial statements of the company for the year ended 31 December 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of security specialist consultants.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 December 2022 will be £440,727 (2021: £1,094,814). The directors do not recommend a payment of a further dividend.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

J Duggan  
A Watts  
R Potter  
P Walker  
K Watts

**DONATIONS**

During the period there were no donations made to political parties. Donations made in the year totalling £8,385 (2021 - £7,070) were to small & local charitable entities.

The company enjoys working with customers, colleagues, and suppliers in the delivery of its Corporate Social Responsibility. As such the business is committed to donating 1% of its profits to the EFT Foundation for charitable use. Charity work and events are orchestrated through the charity crew headed up by colleagues across the business. Whilst Covid reduced the frequency of events in the prior year, 2022 has seen a variety of staff activities in the business as well as external social events looking after our customers.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Directors  
for the Year Ended 31 December 2022

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A Watts - Director

27 September 2023

### **Opinion**

We have audited the financial statements of EFT Systems Limited (the 'company') for the year ended 31 December 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, 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 December 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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

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 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors 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 Report of the Directors.

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 Statement of Directors' Responsibilities set out on page four, 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 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.

### **Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the company engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable law and regulations;
- Challenging assumptions and judgements made by management in its significant accounting estimates, in particular:
  - Accruals and prepayments - we carried out a review and recalculation of accruals and prepayments to assess its appropriateness for inclusion within the financial statements;
  - Deferred and accrued income - we carried out a review and recalculation of deferred and accrued income to assess its appropriateness for inclusion within the financial statements;
  - Depreciation - we carried out a review and recalculation of depreciation to assess its appropriateness for inclusion within the financial statements;
  - Bad debt provision - we carried out a review and recalculation of the bad debt provision to assess the reconcilability of trade debtor.

Despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

### **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 a Report of the Auditors 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.

Kate Taylor FCCA (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers

11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

27 September 2023

Page 8

Income Statement  
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>TURNOVER</b>		<b>13,028,168</b>	14,211,465
Cost of sales		<u>8,882,222</u>	<u>10,529,290</u>
<b>GROSS PROFIT</b>		<b>4,145,946</b>	3,682,175
Administrative expenses		<u>3,215,089</u>	<u>2,802,916</u>
		<b>930,857</b>	879,259
Other operating income		<u>53,581</u>	<u>40,541</u>
<b>OPERATING PROFIT</b>	4	<b>984,438</b>	919,800
Interest receivable and similar income		<u>734</u>	<u>1,021</u>
		<b>985,172</b>	920,821
Interest payable and similar expenses	6	<u>40,878</u>	<u>(424)</u>
<b>PROFIT BEFORE TAXATION</b>		<b>944,294</b>	921,245
Tax on profit	7	<u>145,875</u>	<u>160,542</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>798,419</b>	760,703

The notes form part of these financial statements

Other Comprehensive Income  
for the Year Ended 31 December 2022

	Notes	31.12.22 £	31.12.21 £
<b>PROFIT FOR THE YEAR</b>		<b>798,419</b>	<b>760,703</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>-</b>	<b>-</b>
<b>FOR THE YEAR</b>		<b>798,419</b>	<b>760,703</b>

Balance Sheet  
31 December 2022

	Notes	£	31.12.22 £	31.12.21 £
<b>FIXED ASSETS</b>				
Tangible assets	9		440,960	484,620
<b>CURRENT ASSETS</b>				
Stocks	10	89,528		75,814
Debtors	11	4,361,683		3,538,776
Cash at bank		698,378		1,572,703
		<u>5,149,589</u>		<u>5,187,293</u>
<b>CREDITORS</b>				
Amounts falling due within one year	12	<u>3,228,017</u>	<u>3,424,134</u>	
<b>NET CURRENT ASSETS</b>			<u>1,921,572</u>	<u>1,763,159</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>2,362,532</u>	<u>2,247,779</u>
<b>CREDITORS</b>				
Amounts falling due after more than one year	13	(700,000)		(940,000)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(59,037)</u>		<u>(61,977)</u>
<b>NET ASSETS</b>			<u>1,603,495</u>	<u>1,245,802</u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	18	10,645		10,645
Share premium	19	9,675		9,675
Retained earnings	19	<u>1,583,175</u>		<u>1,225,482</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,603,495</u>	<u>1,245,802</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 September 2023 and were signed on its behalf by:

A Watts - Director

Statement of Changes in Equity  
for the Year Ended 31 December 2022

	<b>Called up share capital £</b>	<b>Retained earnings £</b>	<b>Share premium £</b>	<b>Total equity £</b>
<b>Balance at 1 January 2021</b>	10,309	1,559,593	3,698	1,573,600
<b>Changes in equity</b>				
Issue of share capital	336	-	5,977	6,313
Dividends	-	(1,094,814)	-	(1,094,814)
Total comprehensive income	-	760,703	-	760,703
<b>Balance at 31 December 2021</b>	<u>10,645</u>	<u>1,225,482</u>	<u>9,675</u>	<u>1,245,802</u>
<b>Changes in equity</b>				
Dividends	-	(440,726)	-	(440,726)
Total comprehensive income	-	798,419	-	798,419
<b>Balance at 31 December 2022</b>	<u>10,645</u>	<u>1,583,175</u>	<u>9,675</u>	<u>1,603,495</u>

Notes to the Financial Statements  
for the Year Ended 31 December 2022

1. **STATUTORY INFORMATION**

EFT Systems Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008.

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 £.

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d).

The financial statements of the company are consolidated in the financial statements of EFT Group Limited. These consolidated financial statements are available from its registered office, Cobden House, 39a Cobden Road, Southport, PR9 7TR.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, the amount of revenue can be measured reliably and it is probable that economic benefits will flow to the entity.

**Tangible fixed assets**

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

Freehold property	- 2% on cost
Plant and machinery	- 50% on cost and 15% on reducing balance
Fixtures and fittings	- 25% reducing balance and 15% on reducing balance
Motor vehicles	- 25% reducing balance

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.



**2. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company has elected to apply the provisions of Section 11 "Basic Financial instruments" and Section 12 "Other Financial 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.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**Recognition of financial assets**

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

**Impairment of financial assets**

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

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

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

3. EMPLOYEES AND DIRECTORS

	31.12.22	31.12.21
	£	£
Wages and salaries	3,275,241	2,728,273
Social security costs	315,496	262,382
Other pension costs	103,228	80,402
	<u>3,693,965</u>	<u>3,071,057</u>

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

	31.12.22	31.12.21
Employees	<u>111</u>	<u>98</u>

	31.12.22	31.12.21
	£	£
Directors' remuneration	60,000	88,048
Directors' pension contributions to money purchase schemes	<u>19,080</u>	<u>17,260</u>

4. OPERATING PROFIT

The operating profit is stated after charging:

	31.12.22	31.12.21
	£	£
Hire of plant and machinery	-	1,233
Depreciation - owned assets	91,914	71,020
Loss on disposal of fixed assets	<u>2,488</u>	<u>3,862</u>

5. AUDITORS' REMUNERATION

	31.12.22	31.12.21
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	9,000	4,438
Total audit fees	<u>9,000</u>	<u>4,438</u>
Other non-audit services	6,000	5,935
Total non-audit fees	<u>6,000</u>	<u>5,935</u>
Total fees payable	<u>15,000</u>	<u>10,373</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.22	31.12.21
	£	£
Interest payable	40,878	-
Hire purchase	-	(424)
	<u>40,878</u>	<u>(424)</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

7. **TAXATION**

**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	31.12.22 £	31.12.21 £
Current tax:		
UK corporation tax	175,491	166,279
Adjustment for prior years	(26,676)	-
Total current tax	148,815	166,279
Deferred tax	(2,940)	(5,737)
Tax on profit	145,875	160,542

**Reconciliation of total tax charge included in profit and loss**

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

	31.12.22 £	31.12.21 £
Profit before tax	944,294	921,245
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	179,416	175,037
Effects of:		
Expenses not deductible for tax purposes	3,662	2,813
Capital allowances in excess of depreciation	-	(11,571)
Depreciation in excess of capital allowances	3,073	-
Utilisation of tax losses	(10,660)	-
Adjustments to tax charge in respect of previous periods	(26,676)	-
Deferred taxation	(2,940)	(5,737)
Total tax charge	145,875	160,542

8. **DIVIDENDS**

	31.12.22 £	31.12.21 £
Ordinary shares of £1 each		
Interim	440,726	1,094,814

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

## 9. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1 January 2022	215,886	64,379	277,106	348,008	905,379
Additions	-	9,832	47,021	-	56,853
Disposals	-	-	(2,404)	(52,926)	(55,330)
At 31 December 2022	<u>215,886</u>	<u>74,211</u>	<u>321,723</u>	<u>295,082</u>	<u>906,902</u>
<b>DEPRECIATION</b>					
At 1 January 2022	28,138	17,904	99,097	275,620	420,759
Charge for year	4,318	24,164	46,798	16,634	91,914
Eliminated on disposal	-	-	(459)	(46,272)	(46,731)
At 31 December 2022	<u>32,456</u>	<u>42,068</u>	<u>145,436</u>	<u>245,982</u>	<u>465,942</u>
<b>NET BOOK VALUE</b>					
At 31 December 2022	<u>183,430</u>	<u>32,143</u>	<u>176,287</u>	<u>49,100</u>	<u>440,960</u>
At 31 December 2021	<u>187,748</u>	<u>46,475</u>	<u>178,009</u>	<u>72,388</u>	<u>484,620</u>

## 10. STOCKS

	31.12.22	31.12.21
	£	£
Stocks	<u>89,528</u>	<u>75,814</u>

## 11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Trade debtors	3,265,875	2,088,799
Other debtors	77,562	128,959
Prepayments	<u>1,018,246</u>	<u>1,321,018</u>
	<u>4,361,683</u>	<u>3,538,776</u>

## 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.22	31.12.21
	£	£
Bank loans and overdrafts (see note 14)	240,000	240,000
Trade creditors	1,822,991	2,075,721
Amounts owed to group undertakings	9,804	9,804
Tax	190,095	166,280
Social security and other taxes	79,531	78,506
VAT	463,657	396,819
Other creditors	160,199	163,272
Deferred income	60,777	102,394
Accrued expenses	<u>200,963</u>	<u>191,338</u>
	<u>3,228,017</u>	<u>3,424,134</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	31.12.22	31.12.21
	£	£
Bank loans (see note 14)	<u>700,000</u>	<u>940,000</u>

14. **LOANS**

An analysis of the maturity of loans is given below:

	31.12.22	31.12.21
	£	£
Amounts falling due within one year or on demand: Bank loans	<u>240,000</u>	<u>240,000</u>
Amounts falling due between one and two years: Bank loans - 1-2 years	<u>240,000</u>	<u>240,000</u>
Amounts falling due between two and five years: Bank loans - 2-5 years	<u>460,000</u>	<u>700,000</u>

15. **LEASING AGREEMENTS**

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

	31.12.22	31.12.21
	£	£
Within one year	144,210	127,665
Between one and five years	<u>251,139</u>	<u>185,053</u>
	<u>395,349</u>	<u>312,718</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

16. **SECURED DEBTS**

The following secured debts are included within creditors:

	31.12.22	31.12.21
	£	£
Bank loans	<u>940,000</u>	<u>1,180,000</u>

Bank borrowings are secured by a debenture including a First Fixed Charge over all fixed assets now or in the future owned by the company and its interest in any such assets, as well as the benefit of all contracts, licences and warranties relating to them, all securities, all present and future goodwill, all debts now or in the future owing to it and the benefit of all instruments, guarantees, charges, pledges and other rights now or in the future available to it.

The debenture includes a First Floating Charge over all its present and future undertaking and assets of whatever type and wherever located.

The debenture contains covenants relating to land and other assets, such as requiring the assets to be maintained in good and substantial repair and condition, ensuring all covenants relating to lease agreements are performed and observed, and preventing the removal or disposal of any assets without prior written consent if to do so would have a material adverse effect of the value, saleability or use of the land.

This charge was created on 1st September 2020.

Assets held under hire purchase agreements were secured against the value of the assets under those agreements.

17. **PROVISIONS FOR LIABILITIES**

	31.12.22	31.12.21
	£	£
Deferred tax	<u>59,037</u>	<u>61,977</u>
		<b>Deferred tax</b>
		£
Balance at 1 January 2022		61,977
Provided during year		<u>(2,940)</u>
Balance at 31 December 2022		<u>59,037</u>

The deferred tax liability set out above is expected to reverse within the foreseeable future and related to accelerated capital allowances and other short term timing differences.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

18. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.22	31.12.21
10,638	Ordinary share	£1	10,638	10,638
1	Ordinary 'A' share	£1	1	1
1	Ordinary 'B' share	£1	1	1
1	Ordinary 'C' share	£1	1	1
1	Ordinary 'D' share	£1	1	1
1	Ordinary 'E' share	£1	1	1
1	Ordinary 'F' share	£1	1	1
1	Ordinary 'G' share	£1	1	1
			<b>10,645</b>	<b>10,645</b>

**Rights and preferences of shares in issue**

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

The company's ordinary alphabet shares, which carry no right to fixed income, do not carry the right to vote at general meetings of the company.

All the shares are entitled pari passu to dividend payments or another other distributions.

19. **RESERVES**

	Retained earnings £	Share premium £	Totals £
At 1 January 2022	1,225,482	9,675	1,235,157
Profit for the year	798,419		798,419
Dividends	(440,726)		(440,726)
At 31 December 2022	<b>1,583,175</b>	<b>9,675</b>	<b>1,592,850</b>

Retained earnings - Cumulative profit and loss, net of distribution to owners.

Share premium - Consideration received for shares issued above their nominal value, net of transaction costs.

20. **PENSION COMMITMENTS**

A defined contribution pension scheme is operated by the company. The assets of the scheme are held separately from those of the company in an independently administered fund. At 31 December 2022 pension contributions of £18,920 (2021: £16,821) were payable and included within other creditors.

Notes to the Financial Statements - continued  
for the Year Ended 31 December 2022

**21. RELATED PARTY DISCLOSURES**

At the year ended 31 December 2022 the following amounts were outstanding to related parties:

	<b>31.12.22</b>	<b>31.12.21</b>
<b>Debtors</b>		
EFT Construction Limited - Trade debtor	<b>80,901</b>	49,976
EFT Group - Trade debtor	<b>848</b>	1,131
EFT Electrical Installations - Trade debtors	<b>2,395</b>	-
<b>Creditors</b>		
EFT Construction Limited - Trade creditor	<b>256,286</b>	139,662
EFT Constructions Loan	<b>9,804</b>	9,804
EFT Group - Trade creditor	<b>55,411</b>	-
EFT Electrical Installations - Trade creditors	<b>73,289</b>	-

During the year EFT Systems Limited, EFT Group Limited, EFT Construction Limited and EFT Electrical Installations Limited traded the following amounts with each other:

	<b>2022</b>	<b>2021</b>
Sales	<b>125,875</b>	92,036
Purchases	<b>915,084</b>	546,472
Management charge income	<b>53,581</b>	40,541

**22. ULTIMATE CONTROLLING PARTY**

The Company's parent company is EFT Group Limited, registered in England and Wales. The ultimate controlling party is Mr A Watts by virtue of his majority shareholding.

EFT Group Limited is the smallest and largest company for which consolidated accounts including EFT Systems Limited are prepared. The consolidated accounts of EFT Group Limited are available to the public from its registered office.



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.