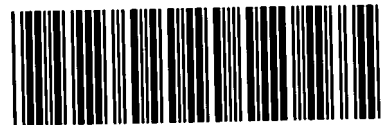


**NEPTUNE BUILDING SERVICES LTD**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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<b>NEPTUNE BUILDING SERVICES LTD</b>
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**COMPANY INFORMATION**

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<b>Directors</b>	Mark Hanlon Carl Nock Daniel O'Leary
<b>Registered number</b>	01810549
<b>Registered office</b>	Neptune Building Services Limited Meadow House 12 Sabre Close Quedgeley Gloucestershire GL2 4NZ
<b>Independent auditors</b>	Randall and Payne LLP Shurdington Road Shurdington Cheltenham Gloucestershire GL51 4GA
<b>Bankers</b>	Lloyds Bank plc Eastgate Street Gloucester Gloucestershire GL1 1NU
<b>Solicitors</b>	Hopson Solcitors 2 Imperial Square Cheltenham Gloucestershire GL50 1QB

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**NEPTUNE BUILDING SERVICES LTD**

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# NEPTUNE BUILDING SERVICES LTD

## STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2023

### Introduction.

The Directors present their strategic report for the year ended 30 September 2023 for Neptune Building Services Limited.

Following the restructuring of the company in 2020, the business has continued to maintain its current client base whilst attracting new, so developing a comprehensive order book for the year and into the next.

The Directors have sort to mitigate the ongoing effects of economic uncertainty, which has impacted the costs of delivering projects and the reduced availability of materials. The Directors remains optimistic for the future 12 months.

### Business review

	2023	2022
Gross profit percentage	16.10%	15.02%
Profit/(loss) before tax	403,091	195,942
Net assets	1,370,898	1,332,425

### Principal risks and uncertainties.

The Company is subject to competition for its services from competitors, however the directors are confident of the company's ability to win new work as a result of its high standards of service.

The company is also exposed to an element of credit risk and the Company has developed strict credit control guidelines and checks to minimise potential bad debts, however due to the residual effects of the pandemic and the current economic crisis, a long standing reputable contractor went into liquidation at the end of the prior year. The Directors have been monitoring amounts receivable to the Company closely and have been able to successfully trade through and deliver a profitable year, ensuring that debtors are recovered on a timely basis.

Health and safety is a risk for the industry. The directors regularly discuss health and safety risks and have ongoing procedures to minimise such risks.

### Financial risk management objectives and policies

The financial risk management objectives of the company are set by the board of directors with a view to minimising exposure to credit risk, liquidity risk and cash flow risk. The Company does not use derivatives.

### Future Developments

With the understanding of our clients knowing they are procuring services with a reliable and efficient contractor, we have maintained and continue to grow our client base going into 2024, allowing us to mitigate the financial risks of operating in the current financial climate.

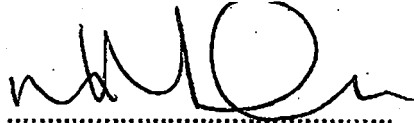
**NEPTUNE BUILDING SERVICES LTD**

**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

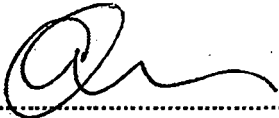
This report was approved by the board and signed on its behalf.



.....  
**Daniel O'Leary**  
Director



.....  
**Mark Hanlon**  
Director



.....  
**Carl Nock**  
Director

Date: 24/01/2024

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**NEPTUNE BUILDING SERVICES LTD**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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The directors present their report and the financial statements for the year ended 30 September 2023.

**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 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 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 £317,402 (2022 - £323,135).

Dividends of £292,800 (2022: £790,500) were paid during the period. No final dividend has been recommended by the directors (2022: £nil)

**Directors**

The directors who served during the year were:

Mark Hanlon  
Carl Nock  
Daniel O'Leary

**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 director's report. It has done so in respect of future developments and research and development activities.

**NEPTUNE BUILDING SERVICES LTD**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**Disclosure of information to auditors**

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 auditors are 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 auditors are aware of that information.

**Post balance sheet events**

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

**Auditors**

The auditors, Randall and Payne LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

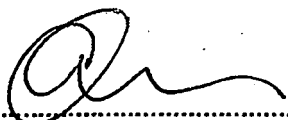
This report was approved by the board and signed on its behalf.



.....  
**Daniel O'Leary**  
Director



.....  
**Mark Hanlon**  
Director



.....  
**Carl Nock**  
Director

Date: 24/01/2024

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<b>NEPTUNE BUILDING SERVICES LTD</b>
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEPTUNE BUILDING SERVICES LTD**

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**Opinion**

We have audited the financial statements of Neptune Building Services Limited (the 'Company') for the year ended 30 September 2023, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity 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 30 September 2023 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 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.



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**NEPTUNE BUILDING SERVICES LTD**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEPTUNE BUILDING SERVICES LTD  
(CONTINUED)**

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**Other information**

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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 3, 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.

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<b>NEPTUNE BUILDING SERVICES LTD</b>
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEPTUNE BUILDING SERVICES LTD  
(CONTINUED)**

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**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 an Auditors' 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:

Our audit planning process gave consideration to the risk of material misstatement in the financial statements, using the calculated materiality level which itself factored in the nature of the Company's operations and the interpreted levels of inherent and control risk.

In assessing the risk of fraud we reviewed management's own assessment of potential for fraud within the entity and reviewed judgements made by management to identify possible bias, in addition to any opportunity and incentive for fraud that are inherent in the nature of the Company's operations. Our detailed testing included review of accounting estimates and judgements and validation of prime ledger entries.

We confirmed our knowledge of the legal and regulatory environment of the entity through discussions with management. We analysed all information available to us in respect of relevant laws and regulations, including the Companies Act 2006 and relevant UK tax legislation and enquired with management as to any possible breaches in the aforementioned.

We agreed the accuracy of the financial statements to the supporting management information provided by the client and tested individually on a sample basis the income and expenditure in the financial statements to consider the business rationale behind the transactions and the accuracy of the financial records. Our audit testing did not identify any issues in respect of the matters listed above, including fraud.

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 Auditors' report.

**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 Auditors' 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.

NEPTUNE BUILDING SERVICES LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEPTUNE BUILDING SERVICES LTD  
(CONTINUED)



Ryan Moore CA (Senior statutory auditor)  
for and on behalf of  
**Randall and Payne LLP**  
Chartered Accountants & Statutory Auditors  
Shurdington Road  
Shurdington  
Cheltenham  
Gloucestershire  
GL51 4GA

Date: 28 January 2024

**NEPTUNE BUILDING SERVICES LTD**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Note	2023 £	2022 £
Turnover	4	14,014,176	14,229,199
Cost of sales		(11,758,424)	(12,092,252)
<b>Gross profit</b>		<b>2,255,752</b>	<b>2,136,947</b>
Administrative expenses		(1,836,878)	(1,931,519)
<b>Operating profit</b>	5	<b>418,874</b>	<b>205,428</b>
Interest receivable and similar income	9	-	1,857
Interest payable and similar expenses	10	(15,783)	(11,343)
<b>Profit before tax</b>		<b>403,091</b>	<b>195,942</b>
Tax on profit	11	(85,689)	127,193
<b>Profit for the financial year</b>		<b>317,402</b>	<b>323,135</b>

There was no other comprehensive income for 2023 (2022:£NIL).

The notes on pages 14 to 29 form part of these financial statements.

**NEPTUNE BUILDING SERVICES LTD**  
**REGISTERED NUMBER: 01810549**

**BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	603,777	542,092
		<u>603,777</u>	<u>542,092</u>
<b>Current assets</b>			
Stocks	15	312,095	478,986
Debtors: amounts falling due after more than one year	16	227,646	158,938
Debtors: amounts falling due within one year	16	1,778,490	2,239,150
Cash at bank and in hand	17	850,317	525,975
		<u>3,168,548</u>	<u>3,403,049</u>
Creditors: amounts falling due within one year	18	(2,219,937)	(2,372,225)
<b>Net current assets</b>		<u>948,611</u>	<u>1,030,824</u>
<b>Total assets less current liabilities</b>		<u>1,552,388</u>	<u>1,572,916</u>
Creditors: amounts falling due after more than one year	19	(110,833)	(180,833)
<b>Provisions for liabilities</b>			
Deferred tax	22	(38,959)	(25,388)
Other provisions	23	(45,270)	(34,270)
		<u>(84,229)</u>	<u>(59,658)</u>
<b>Net assets</b>		<u>1,357,327</u>	<u>1,332,425</u>
<b>Capital and reserves</b>			
Called up share capital	24	45,000	45,000
Capital redemption reserve		255,000	255,000
Profit and loss account		1,057,327	1,032,425
		<u>1,357,327</u>	<u>1,332,425</u>

**NEPTUNE BUILDING SERVICES LTD**  
**REGISTERED NUMBER: 01810549**

**BALANCE SHEET (CONTINUED)**  
**AS AT 30 SEPTEMBER 2023**

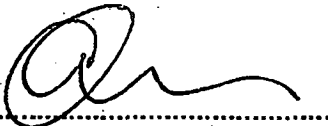
The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



**Mark Hanlon**  
Director



**Daniel O'Leary**  
Director



**Carl Nock**  
Director

Date: 24 January 2024

The notes on pages 14 to 29 form part of these financial statements.

**NEPTUNE BUILDING SERVICES LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2022	45,000	255,000	1,032,425	1,332,425
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	317,402	317,402
<b>Total comprehensive income for the year</b>	-	-	317,402	317,402
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(292,500)	(292,500)
<b>Total transactions with owners</b>	-	-	(292,500)	(292,500)
<b>At 30 September 2023</b>	<b>45,000</b>	<b>255,000</b>	<b>1,057,327</b>	<b>1,357,327</b>

The notes on pages 14 to 29 form part of these financial statements.

**NEPTUNE BUILDING SERVICES LTD**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Called up share capital	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 October 2021	45,000	255,000	1,499,790	1,799,790
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	323,135	323,135
<b>Total comprehensive income for the year</b>	-	-	323,135	323,135
<b>Contributions by and distributions to owners</b>				
Dividends: Equity capital	-	-	(790,500)	(790,500)
<b>Total transactions with owners</b>	-	-	(790,500)	(790,500)
<b>At 30 September 2022</b>	<b>45,000</b>	<b>255,000</b>	<b>1,032,425</b>	<b>1,332,425</b>

The notes on pages 14 to 29 form part of these financial statements.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**1. General information**

Neptune Building Services 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**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company is a qualifying entity and has claimed an exemption from preparing a cash flow statement in accordance with the requirements of FRS 102, para 1.12(b) and para 3.17(d). The Company is included in the consolidated financial statements of its parent entity, Neptune Building Services (Holdings) Limited.

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

The following principal accounting policies have been applied:

**2.2 Going concern**

These financial statements are prepared on the going concern basis. The directors' attentions are focused on cash flow, liquidity and future contracts and upon the company's ability to continue as a going concern. Since emerging from the pandemic with building sites returning to normal the company has increased its turnover due to increasing demand for services and competitive pricing. The Directors are closely managing the impact of UK economic uncertainty which continues to disrupt the supply chain and availability of construction materials.

In order to ensure that the Business maintained the working capital required to trade through the uncertain times the Directors took advantage of additional funding of £385k from the application for a CBIL in the year ended 30 September 2020 whereby interest and principal repayments are being made in accordance with the terms of the loan.

Preparations of forecasts and budgets lead the directors to believe that the company will continue in operational existence for the foreseeable future.

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<b>NEPTUNE BUILDING SERVICES LTD</b>
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.3 Revenue**

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

**Rendering of services**

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

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

**2.4 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

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

**2.5 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.6 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.7 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**2. Accounting policies (continued)**

**2.8 Pensions**

**Defined contribution pension plan**

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 payment obligations.

The contributions are recognised as an expense in profit or loss 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.

**2.9 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.

**2.10 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.

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**NEPTUNE BUILDING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.10 Tangible fixed assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the following methods.

Depreciation is provided on the following basis:

Freehold property	- Not provided
Plant and machinery	- 25% on cost
Motor vehicles	- 20% on cost
Office equipment	- 33% on cost

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 profit or loss.

**2.11 Stocks**

Where there is no contract to provide a service or product but there is ongoing work on that item at the balance sheet date, the value of work done as at the balance sheet date is included as work in progress. It is valued at the lower of cost and net realisable value, together with a proportion of fixed and variable overheads.

**2.12 Debtors**

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.13 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.14 Creditors**

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**2. Accounting policies (continued)**

**2.15 Provisions for liabilities**

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

**2.16 Financial instruments**

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

The Company has elected to apply the recognition and measurement provisions of IFRS 9 Financial Instruments (as adopted by the UK Endorsement Board) with the disclosure requirements of Sections 11 and 12 and the other presentation requirements of FRS 102.

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.

**2.17 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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**NEPTUNE BUILDING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**2. Accounting policies (continued)**

**2.18 Construction contracts**

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that the total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. Where costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs in the contract is obtained in a subsequent period.

The "percentage of completion method" is used to determine the appropriate amount to recognise in a given period. The stage of completion is measured by the proportion of contract costs incurred for work performed to date compared to the estimated total contract costs. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. These costs are presented as stocks, prepayments or other assets depending on their nature, and provided it is probable they will be recovered.

**2.19 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operation leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charges to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received; are charges to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

**3. Judgements in applying accounting policies 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.

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**4. Turnover**

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

	2023 £	2022 £
Mechanical	8,798,087	9,529,667
Electrical	5,216,089	4,699,532
	<u>14,014,176</u>	<u>14,229,199</u>

All turnover arose within the United Kingdom.

**5. Operating profit**

The operating profit is stated after charging:

	2023 £	2022 £
Depreciation	69,519	68,192
Loss/(profit) on disposal of fixed assets	(8,175)	(2,600)
Other operating lease rentals	-	1,580
	<u>-</u>	<u>1,580</u>

**6. Auditors' remuneration**

During the year, the Company obtained the following services from the Company's auditors:

	2023 £	2022 £
Fees payable to the Company's auditors for the audit of the Company's financial statements	8,850	8,850
Fees payable to the Company's auditors in respect of:		
Other non-Audit services	<u>2,925</u>	<u>2,925</u>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**7. Employees**

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	3,120,840	3,030,670
Social security costs	301,953	320,997
Cost of defined contribution scheme	180,397	237,477
	<u>3,603,190</u>	<u>3,589,144</u>

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

	2023 No.	2022 No.
Directors	3	4
Office staff	23	24
Operatives	52	54
	<u>78</u>	<u>82</u>

**8. Directors' remuneration**

	2023 £	2022 £
Directors' emoluments	210,159	236,389
Company contributions to defined contribution pension schemes	30,469	38,022
	<u>240,628</u>	<u>274,411</u>

During the year retirement benefits were accruing to 3 directors (2022 - 4 in respect of defined contribution pension schemes).

The highest paid director received remuneration of £74,853 (2022 - £70,066).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,156 (2022 - £9,896).



**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**9. Interest receivable and similar expenses**

	2023 £	2022 £
Other interest receivable	-	1,857
	<u>-</u>	<u>1,857</u>
	<u>-</u>	<u>1,857</u>

**10. Interest payable and similar expenses**

	2023 £	2022 £
Bank interest payable	15,783	11,343
	<u>15,783</u>	<u>11,343</u>
	<u>15,783</u>	<u>11,343</u>

**11. Taxation**

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax on profits for the year	72,118	(121,244)
	<u>72,118</u>	<u>(121,244)</u>
	<u>72,118</u>	<u>(121,244)</u>
<b>Total current tax</b>	<u>72,118</u>	<u>(121,244)</u>
<b>Deferred tax</b>		
Deferred Tax	13,571	(5,949)
	<u>13,571</u>	<u>(5,949)</u>
<b>Total deferred tax</b>	<u>13,571</u>	<u>(5,949)</u>
	<u>85,689</u>	<u>(127,193)</u>
<b>Taxation on profit/(loss) on ordinary activities</b>	<u>85,689</u>	<u>(127,193)</u>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**11. Taxation (continued)**

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2022 - *lower than*) the standard rate of corporation tax in the UK of 19% (2022 - 19%) due to the Company calculating tax at the marginal rate.

	2023 £	2022 £
Profit on ordinary activities before tax	403,091	195,942
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022 - 19%)	76,587	37,229
<b>Effects of:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	17,565	144
Capital allowances for year in excess of depreciation	-	363
Movement in deferred tax	13,571	(5,949)
Other tax adjustments	10,212	4,462
Capital allowances	(29,529)	(12,594)
Adjustment in research and development tax credit leading to an increase (decrease) in the tax charge in the current year	-	(150,848)
Group relief	(2,717)	-
<b>Total tax charge for the year</b>	<b>85,689</b>	<b>(127,193)</b>

**Factors that may affect future tax charges**

There are no factors which the Directors consider may materially affect future tax charges. Deferred tax has been calculated at the expected future corporation tax rate applicable to the company.

**12. Dividends**

	2023 £	2022 £
Ordinary shares of £1 each interim	292,500	790,500
	<b>292,500</b>	<b>790,500</b>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Tangible fixed assets**

	Freehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 October 2022	426,691	138,432	407,150	160,405	1,132,678
Additions	-	34,336	90,616	7,378	132,330
Disposals	-	-	(52,404)	(7,300)	(59,704)
At 30 September 2023	426,691	172,768	445,362	160,483	1,205,304
<b>Depreciation</b>					
At 1 October 2022	-	122,009	316,946	151,632	590,587
Charge for the year on owned assets	-	6,873	57,178	5,468	69,519
Disposals	-	-	(51,279)	(7,300)	(58,579)
At 30 September 2023	-	128,882	322,845	149,800	601,527
<b>Net book value</b>					
At 30 September 2023	426,691	43,886	122,517	10,683	603,777
At 30 September 2022	426,691	16,424	90,204	8,773	542,092

As at 30 September 2023, depreciation on the freehold property has not been charged as the Directors consider that the current market value of the property is in excess of its cost value. The Directors have therefore adopted a true and fair override which is supported by a recent independent valuation of the property.

The net book value of land and buildings may be further analysed as follows:

	2023 £	2022 £
Freehold	426,691	426,691
	<u>426,691</u>	<u>426,691</u>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**14. Government Grants**

The company received a bank loan in 2021 under the Corona virus business interruption scheme, amounting to £385,000. For the first 12 months of this loan the interest payments on the loan were covered by the Government however interest has now become payable during the year.

**15. Stocks**

	2023 £	2022 £
Long-term contract balances	312,095	478,986
	<u>312,095</u>	<u>478,986</u>

Long-term contract balances consist of:

	2023 £	2022 £
Amounts recoverable under contracts	312,095	478,986
	<u>312,095</u>	<u>478,986</u>

**16. Debtors**

	2023 £	2022 £
<b>Due after more than one year</b>		
Trade debtors (retentions)	227,646	158,938
	<u>227,646</u>	<u>158,938</u>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
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**16. Debtors (continued)**

	2023 £	2022 £
<b>Due within one year</b>		
Trade debtors	1,277,074	1,448,900
Amounts owed by group undertakings	24,450	21,800
Other debtors	243,170	336,025
Prepayments	233,796	259,990
Tax recoverable	-	172,435
	<u>1,778,490</u>	<u>2,239,150</u>

**17. Cash and cash equivalents**

	2023 £	2022 £
Cash at bank and in hand	850,317	525,975
	<u>850,317</u>	<u>525,975</u>

**18. Creditors: Amounts falling due within one year**

	2023 £	2022 £
CBIL Loan	70,000	70,000
Trade creditors	1,801,978	2,078,450
Corporation tax	14,346	-
Other taxation and social security	82,948	123,397
Other creditors including payments received on account	7,816	35,607
Accruals	242,849	64,771
	<u>2,219,937</u>	<u>2,372,225</u>

**19. Creditors: Amounts falling due after more than one year**

	2023 £	2022 £
CBIL Loan	110,833	180,833
	<u>110,833</u>	<u>180,833</u>

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**20. Loans**

Analysis of the maturity of loans is given below:

	2023 £	2022 £
<b>Amounts falling due within one year</b>		
CBIL Loan	70,000	70,000
	<u>70,000</u>	<u>70,000</u>
<b>Amounts falling due 1-2 years</b>		
CBIL Loan	70,000	70,000
	<u>70,000</u>	<u>70,000</u>
<b>Amounts falling due 2-5 years</b>		
CBIL Loan	40,833	110,833
	<u>40,833</u>	<u>110,833</u>
	<u>180,833</u>	<u>250,833</u>

The above borrowings represent a Coronavirus Business Interruption Loan (CBIL) from the Company's bankers. The loan is secured by fixed and floating charges over the undertaking and all property and assets. Repayment of the loan began 7 months from the date of drawdown and the interest rate on the loan is base rate plus 2.44%.

**21. Financial instruments**

	2023 £	2022 £
<b>Financial assets</b>		
Financial assets measured at fair value through profit or loss	<u>850,317</u>	<u>525,975</u>

Financial assets measured at fair value through profit or loss comprise cash at bank and in hand.

**NEPTUNE BUILDING SERVICES LTD**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

**22. Deferred taxation**

	2023 £
At beginning of year	(25,388)
Charged to profit or loss	(13,571)
<b>At end of year</b>	<b>(38,959)</b>

The provision for deferred taxation is made up as follows:

	2023 £	2022 £
Balance brought forward	(25,388)	(31,338)
Accelerated capital allowances	(13,571)	5,950
	<b>(38,959)</b>	<b>(25,388)</b>

**23. Provisions**

	Remedial work provision £
At 1 October 2022	34,270
Provided in year	11,000
<b>At 30 September 2023</b>	<b>45,270</b>

**24. Share capital**

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
45,000 (2022 - 45,000) Ordinary shares of £1.00 each	45,000	45,000

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**NEPTUNE BUILDING SERVICES LTD**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2023**

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**25. Contingent liabilities**

Neptune Building Services Limited has given a secured guarantee to Neptune Building Services (Holdings) Limited's loan note holders, should Neptune Building Services (Holdings) Limited default on the repayments under the loan notes. While there is no indication that a claim will be made under the guarantee, and therefore any future claim cannot be quantified, the loan notes which are due to be repaid within seven years totaled £1,864,200 (2022: £2,157,000) at the balance sheet date.

**26. Charges**

There is a fixed charge over the Company's freehold property and a floating charge over the assets of the Company.

**27. Commitments under operating leases**

At 30 September 2023 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	65,499	75,105
Later than 1 year and not later than 5 years	39,313	39,199
Later than 5 years	-	916
	<u>104,812</u>	<u>115,220</u>

**28. Ultimate Parent Company**

Neptune Building Services Limited became is a wholly owned subsidiary of Neptune Building Services (Holdings) Limited.

Neptune Building Services (Holdings) Limited is regarded by the directors as being the company's ultimate parent company.