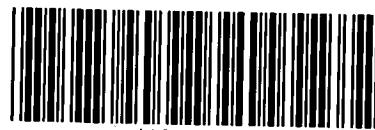


Shaw Gibbs Limited
Consolidated Financial Statements
31 March 2023

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Shaw Gibbs Limited
Consolidated Financial Statements
Year ended 31 March 2023

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Shaw Gibbs Limited

Officers and Professional Advisers

The board of directors

Mr D P O'Connell
Mr S H Neal
Mr L R Smith
Ms S A Gardener
Ms S J Daniels
Mr P J Watts

Registered office

264 Banbury Road
Oxford
Oxfordshire
OX2 7DY

Auditor

Cox Hinkins Audit Services Limited
Chartered Accountants & Statutory Auditor
The Old Dairy
12 Stephen Road
Headington
Oxford
OX3 9AY

Shaw Gibbs Limited

Strategic Report

Year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

REVIEW OF THE BUSINESS

We aim to present a balanced and comprehensive review of the development and performance of the business during the year and its position at the year end. Our review is consistent with the size and non-complex nature of our business and is written in the context of the risks and uncertainties we face.

BUSINESS DEVELOPMENT AND PERFORMANCE

In the year under review, the business has seen strong growth with turnover increasing by 20.6% through a combination of organic growth (17.5%) and acquisitions (3.1%). Due to changes in structure of the business, the method of remuneration for the equity directors was changed and as a result the accounts show a lower gross margin and profit. However, despite the reduction in Gross Profit, performance remained strong and in line with expectations. The business did see some higher than expected costs in areas such as recruitment due to the difficult recruitment market, but also areas such as employee benefits as the business continues to focus on its employee value proposition.

As part of our strategic planning review and positioning the business to ensure we enhance our proposition as an employer of choice within the sector and continue to enhance and develop our services for our clients, we sought investment to develop the business further. Following a review of the market, and after considering a number of offers, in November 2022 we secured investment from Apiary Capital. In addition to financial investment, the very supportive Apiary team have also brought a range of experience and expertise which will be used to further grow the business.

In addition, we will invest in recruiting and retaining people through enhanced learning and development and increasing the speed at which we invest in technology and know-how.

Just prior to the year end the business made its first acquisitions. Firstly we were joined by the team from Wise & Co in Farnham and, secondly, we acquired from a top 10 practice a team of largely tax specialists which further enhances our tax offering for our clients. Since year-end we completed the acquisitions of Herbert Parnell in Brookwood, Surrey and of DNG in Northampton. The business is looking to make further strategic acquisitions in the current financial year.

Shaw Gibbs works with a significant number of entrepreneurial businesses, private clients and high net worth individuals, in addition to clients in the firm's specialist sectors of international, property, medical and entertainment. A key focus for the firm remains on the retention of those clients and in particular working with them to ensure they receive a high level of service and expert advice.

VISION AND STRATEGY

Our vision is to meet and exceed our client's needs by building high performance teams of experts who will develop respectful and collaborative relationships using the latest innovation to gather, process and deliver information and solutions. Our people are key to delivering our services even in the age of innovation and technology. We therefore continue to invest in our people seeking to help them be the best experts in their respective fields.

The firm and its connected entities continue to focus on working with entrepreneurial businesses, private clients and high net worth individuals. We offer a comprehensive package of services that satisfy corporate and private client demands. This is achieved through the development of a broad range of services that are tailored to assist growing businesses and successful individuals. The service includes advice in areas such as audit, accounts, outsourced accounting and payroll, corporate and business tax and personal tax (including will planning, inheritance tax planning as well as a range of advice around income and capital taxes), and corporate finance.

Shaw Gibbs Limited

Strategic Report *(continued)*

Year ended 31 March 2023

Our four key values are Expert, Respect, Innovation and Collaboration. In addition to our acquisitions, the directors are therefore focused on our key value of expert, by bringing on board key strategic level senior employees. In the year we added key senior people including strengthening our corporate tax team. This is designed to ensure that we are continuing to develop the range of services we are providing to our clients. In addition to high level recruitment we also focus on strengthening and developing internal talent in all practice areas.

The business was also focused on its other values of Innovation, including investment in our systems process and technology, Respect and Collaboration, ensuring our teams work well together, with other professionals and with our clients to provide unified high quality service.

Shaw Gibbs continues the process of reviewing our technology usage to identify areas where we need to invest to improve our service to clients, ensuring that our pricing remains competitive and that we deliver the highest quality. At the centre of our offer to our clients will be an ongoing investment in training support with strategic recruitment of the best people to deliver our services.

As we grow through acquisition, we will continue to focus on building with culturally aligned practices with an ethos of investing in people and developing a full range of services which will be delivered from our offices across Central and Southern England including London. We continue to invest in our working environment including our technology and communications systems. This is to ensure we continue to provide a fresh, clean and modern workspace for our team with the latest workstations and technology for us all to work from. This will be combined with investment in technology to allow for collaboration between teams who will have the flexibility to operate in a hybrid working environment and across our offices.

The firm continues to develop its skills in providing clients with international accounting and tax support. Through its membership of the international association, DFK, the firm is able to provide support, not only to UK businesses looking to trade and expand overseas, but additionally to foreign businesses and individuals seeking to do business in the UK.

RISKS AND ECONOMIC CLIMATE

Our people continue to be the key to the success of our businesses. We constantly listen to the requirements of our staff and strive to put in place a working environment and a benefits and rewards package that ensures we provide an excellent environment to work in. This has been evident in our staff retention and in particular the number of colleagues who have remained beyond the end of their training contracts and who progress to managers and beyond within the business.

In the current period we continue to assess the impact of interest rate rises and inflation on our clients and the uncertainty these bring both to our clients and our business. As a diverse business, both in terms of service lines and the breadth of our client base, we have a wide degree of experience and expertise, and we use this to continue to work with our clients to make sure they are being provided with the appropriate advice as the economy develops. Our aim is to help to ensure that our clients are in the best place not only to survive the impact of the economic uncertainty but also to take advantage of opportunities that arise.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE

In the last year we have set up teams to monitor and develop our performance and activity within the areas covered by ESG. Our environment team have ascertained our carbon footprint and are working at ways to reduce this including a program of replacing old lighting with LED, waste management and using green energy. We have installed several electric car chargers in our car park in conjunction with our social and HR team introducing an electric car salary sacrifice scheme for all employees. Our HR and social team have been further developing our diversity, equity and inclusion policies. Shaw Gibbs continues to be actively involved in our community: in the last year we have supported Maggie's cancer charity, amongst others, and we are sponsors of Oxford Harlequins rugby club which seeks to increase grass roots rugby participation.

Shaw Gibbs Limited

Strategic Report *(continued)*

Year ended 31 March 2023

KEY PERFORMANCE INDICATORS

The directors and senior management regularly focus on a number of KPI's including sales and gross margin analysis by division, staff productivity and chargeability, staff retention, as well as those measures referred to above. We also closely monitor the balance sheet position including regular review of working capital movements in trade debtors, work in progress, cash and trade creditors.

This report was approved by the board of directors on 4/12/20 and signed on behalf of the board by:



Mr D P O'Connell
Director

Shaw Gibbs Limited

Directors' Report

Year ended 31 March 2023

The directors present their report and the financial statements of the group for the year ended 31 March 2023.

Directors

The directors who served the company during the year were as follows:

Mr D P O'Connell	
Mr S H Neal	
Mr L R Smith	
Ms S A Gardener	
Ms S J Daniels	
Mr P J Watts	
Mr D J F Rickwood	(Resigned 2 November 2022)
Mr E B Edgar-Gibson	(Resigned 9 November 2022)
Ms H D Simmons	(Resigned 9 November 2022)
Mrs L F Buchholz	(Resigned 2 November 2022)

Dividends

Particulars of recommended dividends are detailed in note 14 to the financial statements.

Future developments

The likely future development of the group's business is included within the preceding strategic report.

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, director's 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 group and the company and the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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.

Shaw Gibbs Limited

Director's Report *(continued)*

Year ended 31 March 2023

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 (2) of the Companies Act 2006.

This report was approved by the board of directors on 4/12/23 and signed on behalf of the board by:



Mr D P O'Connell
Director

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited

Year ended 31 March 2023

Opinion

We have audited the financial statements of Shaw Gibbs Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the consolidated profit and loss account, consolidated balance sheet, company balance sheet, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 group's and of the parent company's affairs as at 31 March 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 group 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 group and parent 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. 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

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited (continued)

Year ended 31 March 2023

required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 group's and the parent 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 group or the parent 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.

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited *(continued)*

Year ended 31 March 2023

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:

Based on our understanding of the group and industry, we identified the laws and regulations central to the operation of the group and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls.

Having assessed the risks of material misstatement in the financial statements as above, our resultant audit procedures performed included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing the controls set in place by management;
- Identifying and reviewing journal entries to ensure that we understood the reasoning behind them particularly those which appear to be unusual or outside the normal course of business;
- Assessing management assumptions with regard to accounting estimates for any indications of a potential bias;
- Selecting a sample of transactions and tracing to documentation to establish that they are bonafide business transactions; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting irregularities due to fraud is greater than irregularities due to error, as fraud may involve intentional concealment by, for example, forgery, misrepresentation or collusion.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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. 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.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited *(continued)*

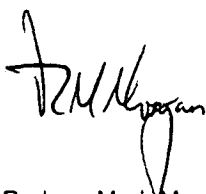
Year ended 31 March 2023

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Rodney Mark Morgan (Senior Statutory Auditor)

For and on behalf of
Cox Hinkins Audit Services Limited
Chartered Accountants & Statutory Auditor
The Old Dairy
12 Stephen Road
Headington
Oxford
OX3 9AY

4 December 2023

Shaw Gibbs Limited

Independent Auditor's Report to the Members of Shaw Gibbs Limited *(continued)*

Year ended 31 March 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.



Rodney Mark Morgan (Senior Statutory Auditor)

For and on behalf of
Cox Hinkins Audit Services Limited
Chartered Accountants & Statutory Auditor
The Old Dairy
12 Stephen Road
Headington
Oxford
OX3 9AY

4 December 2023

Shaw Gibbs Limited
Consolidated Balance Sheet
31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	15	10,814,018	4,080,190
Tangible assets	16	234,428	151,257
Investments	17	—	—
		<u>11,048,446</u>	<u>4,231,447</u>
Current assets			
Debtors	18	4,686,688	4,133,042
Cash at bank and in hand		<u>1,290,275</u>	<u>1,034,519</u>
		5,976,963	5,167,561
Creditors: amounts falling due within one year	19	<u>7,535,927</u>	<u>2,681,315</u>
Net current (liabilities)/assets		(1,558,964)	2,486,246
Total assets less current liabilities		<u>9,489,482</u>	<u>6,717,693</u>
Creditors: amounts falling due after more than one year	20	<u>4,064,903</u>	<u>1,371,935</u>
Net assets		<u>5,424,579</u>	<u>5,345,758</u>
Capital and reserves			
Called up share capital	24	1,793	1,807
Capital redemption reserve	25	1,244	1,230
Profit and loss account	25	<u>5,421,542</u>	<u>5,342,721</u>
Shareholders' funds		<u>5,424,579</u>	<u>5,345,758</u>

These financial statements were approved by the board of directors and authorised for issue on 4/12/23 2023, and are signed on behalf of the board by:



Mr D P O'Connell
Director

Company registration number: 02209123

The notes on pages 17 to 29 form part of these financial statements.

Shaw Gibbs Limited
Company Balance Sheet
31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	15	10,814,018	4,080,190
Tangible assets	16	234,428	151,257
Investments	17	256	—
		<u>11,048,702</u>	<u>4,231,447</u>
Current assets			
Debtors	18	4,646,564	4,133,042
Cash at bank and in hand		1,051,161	1,034,519
		<u>5,697,725</u>	<u>5,167,561</u>
Creditors: amounts falling due within one year	19	<u>7,348,750</u>	<u>2,681,315</u>
Net current (liabilities)/assets		<u>(1,651,025)</u>	<u>2,486,246</u>
Total assets less current liabilities		<u>9,397,677</u>	<u>6,717,693</u>
Creditors: amounts falling due after more than one year	20	<u>4,064,903</u>	<u>1,371,935</u>
Net assets		<u><u>5,332,774</u></u>	<u><u>5,345,758</u></u>
Capital and reserves			
Called up share capital	24	1,793	1,807
Capital redemption reserve	25	1,244	1,230
Profit and loss account	25	5,329,737	5,342,721
Shareholders' funds		<u><u>5,332,774</u></u>	<u><u>5,345,758</u></u>

These financial statements were approved by the board of directors and authorised for issue on 4/12/23 2023, and are signed on behalf of the board by:



Mr D P O'Connell
Director

Company registration number: 02209123

The notes on pages 17 to 29 form part of these financial statements.

Shaw Gibbs Limited
Consolidated Statement of Changes in Equity
Year ended 31 March 2023

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2021		1,807	1,230	4,795,080	4,798,117
Profit for the year		—	—	1,394,195	1,394,195
Total comprehensive income for the year		—	—	1,394,195	1,394,195
Dividends paid and payable	14	—	—	(846,554)	(846,554)
Total investments by and distributions to owners		—	—	(846,554)	(846,554)
At 31 March 2022		1,807	1,230	5,342,721	5,345,758
Profit for the year		—	—	496,931	496,931
Total comprehensive income for the year		—	—	496,931	496,931
Dividends paid and payable	14	—	—	(378,111)	(378,111)
Redemption of shares		(14)	14	(39,999)	(39,999)
Total investments by and distributions to owners		(14)	14	(418,110)	(418,110)
At 31 March 2023		<u>1,793</u>	<u>1,244</u>	<u>5,421,542</u>	<u>5,424,579</u>

The notes on pages 17 to 29 form part of these financial statements.

Shaw Gibbs Limited
Company Statement of Changes in Equity
Year ended 31 March 2023

		Called up share capital £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 April 2021		1,807	1,230	4,795,080	4,798,117
Profit for the year		—	—	1,394,195	1,394,195
Total comprehensive income for the year		—	—	1,394,195	1,394,195
Dividends paid and payable	14	—	—	(846,554)	(846,554)
Total investments by and distributions to owners		—	—	(846,554)	(846,554)
At 31 March 2022		1,807	1,230	5,342,721	5,345,758
Profit for the year		—	—	405,126	405,126
Total comprehensive income for the year		—	—	405,126	405,126
Dividends paid and payable	14	—	—	(378,111)	(378,111)
Redemption of shares		(14)	14	(39,999)	(39,999)
Total investments by and distributions to owners		(14)	14	(418,110)	(418,110)
At 31 March 2023		<u>1,793</u>	<u>1,244</u>	<u>5,329,737</u>	<u>5,332,774</u>

The notes on pages 17 to 29 form part of these financial statements.

Shaw Gibbs Limited
Consolidated Statement of Cash Flows
Year ended 31 March 2023

	Note	2023 £	2022 £
Cash generated from operations	27	9,884,010	2,234,318
Interest paid		(132,955)	(176,483)
Interest received		750	125
Tax paid		(628,056)	(460,277)
Net cash from operating activities		<u>9,123,749</u>	<u>1,597,683</u>
Cash flows from investing activities			
Purchase of tangible assets		(155,162)	(42,024)
Purchase of intangible assets		(7,041,672)	–
Goodwill eliminated		(510,257)	–
Net cash used in investing activities		<u>(7,707,091)</u>	<u>(42,024)</u>
Cash flows from financing activities			
Repayments of borrowings		(717,601)	(512,965)
Government grant income		–	6,153
Finance lease income		19,812	–
Payments of finance lease liabilities		(45,003)	(40,073)
Dividends paid		(378,111)	(846,554)
Redemption of share capital		(39,999)	–
Net cash used in financing activities		<u>(1,160,902)</u>	<u>(1,393,439)</u>
Net increase in cash and cash equivalents		255,756	162,220
Cash and cash equivalents at beginning of year		1,034,519	872,299
Cash and cash equivalents at end of year		<u>1,290,275</u>	<u>1,034,519</u>

The notes on pages 17 to 29 form part of these financial statements.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements

Year ended 31 March 2023

1. General information

Shaw Gibbs Limited is a private company, limited by shares, registered in England and Wales. The address of the registered office is 264 Banbury Road, Oxford. The principal activity of the company and of the group is the provision of business advice and accountancy, tax and related services. There were no significant changes during the year in the principal activity of the company or the group.

2. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below.

The financial statements are prepared in sterling, which is the functional currency of the group, and rounded to the nearest pound.

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

Consolidation

The financial statements consolidate the financial statements of Shaw Gibbs Limited and all of its subsidiary undertakings. During the year, Shaw Gibbs Limited (the parent company) acquired various subsidiary undertakings thereby creating a group structure as at 31 March 2023. Comparative figures for the year ended 31 March 2022 relate to the parent company only.

The results of subsidiaries acquired during the year are included from the date that control passes.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

Disclosure exemptions

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under paragraph 1.12 of FRS 102 in respect of the parent company:

- (a) No cash flow statement has been presented.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.
- (d) Disclosures in respect of related party transactions with wholly owned subsidiaries have not been presented.

Revenue recognition

The turnover shown in the profit and loss account represents amounts receivable for work undertaken during the year, exclusive of Value Added Tax.

Revenue from rendering services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that the expenses recognised are recoverable.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

2. Accounting policies *(continued)*

Taxation

The taxation expense represents the aggregate amount of current tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

The current tax is based on taxable profits 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.

Deferred tax is not recognised in respect of any timing differences at the reporting date as all are insignificant.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are recognised as an expense on a straight line basis over the lease term.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

Goodwill

Goodwill arises on business acquisitions and represents the excess of the cost of the acquisition over the company's interest in the net amount of the identifiable assets, liabilities and contingent liabilities of the acquired business.

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20 years straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

2. Accounting policies *(continued)*

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold property	- 15 years straight line
Fixtures and Fittings	- 3 - 6 years straight line
Equipment	- 2 - 5 years straight line

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, an impairment loss is recognised in the statement of total comprehensive income.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the balance sheet as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

2. Accounting policies *(continued)*

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. 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 instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such on the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

3. Significant judgements and estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Management have not had to make any critical judgements in the preparation of these financial statements.

The key accounting estimates and assumptions made in the preparation of these financial statements relate to the valuation and useful life of intangible fixed assets, as well as the useful life of tangible fixed assets, details of which are provided in the accounting policies above.

4. Turnover

Turnover arises from:

	2023	2022
	£	£
Provision of services	<u>8,443,626</u>	<u>7,003,329</u>

The whole of the turnover is attributable to the principal activities of the group provided within the United Kingdom.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

5. Other operating income

	2023	2022
	£	£
Commission receivable	36,203	69,771
Government grant income	7,412	6,153
Other operating income	4,544	—
	<u>48,159</u>	<u>75,924</u>

6. Operating profit

Operating profit is stated after charging:

	2023	2022
	£	£
Amortisation of intangible assets	307,844	307,844
Depreciation of tangible assets	71,991	88,194
Foreign exchange differences	43	—
	<u>380,878</u>	<u>396,038</u>

7. Auditor's remuneration

	2023	2022
	£	£
Fees payable for the audit of the financial statements of the parent company	<u>8,750</u>	<u>7,785</u>
Fees payable for the audit of the financial statements of the group	<u>3,000</u>	<u>—</u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2023	2022
	No.	No.
Number of technical staff including directors	78	68
Number of administrative and support staff	17	16
	<u>95</u>	<u>84</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2023	2022
	£	£
Wages and salaries	3,596,466	2,692,046
Social security costs	419,498	262,770
Other pension costs – defined contribution	226,120	152,898
	<u>4,242,084</u>	<u>3,107,714</u>

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2023	2022
	£	£
Remuneration	519,473	99,239
Company contributions to defined contribution pension plans	79,374	62,173
	<u>598,847</u>	<u>161,412</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2023	2022
	No.	No.
Defined contribution plans	<u>9</u>	<u>9</u>

Remuneration of the highest paid director in respect of qualifying services:

	2023	2022
	£	£
Aggregate remuneration	87,436	12,570
Company contributions to defined contribution pension plans	3,497	3,322
	<u>90,933</u>	<u>15,892</u>

10. Interest receivable

	2023	2022
	£	£
Interest on cash and cash equivalents	<u>750</u>	<u>125</u>

11. Amounts written off investments

	2023	2022
	£	£
Amount written off investments	<u>—</u>	<u>18,146</u>

12. Interest payable and similar expenses

	2023	2022
	£	£
Interest on banks loans and overdrafts	51,959	32,253
Other interest payable and similar charges	80,996	144,230
	<u>132,955</u>	<u>176,483</u>

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

13. Tax on profit

Major components of tax expense

	2023 £	2022 £
Current tax:		
UK current tax expense	320,427	432,974
Tax on profit	<u>320,427</u>	<u>432,974</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

	2023 £	2022 £
Profit on ordinary activities before taxation	817,358	1,827,169
Profit on ordinary activities by rate of tax	155,298	347,162
Effect of expenses not deductible for tax purposes	168,442	75,298
Effect of capital allowances and depreciation	(3,313)	10,514
Tax on profit	<u>320,427</u>	<u>432,974</u>

14. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2023 £	2022 £
Equity dividends on ordinary B shares	378,111	571,900
Equity dividends on ordinary C shares	—	272,560
Equity dividends on ordinary D shares	—	2,094
	<u>378,111</u>	<u>846,554</u>

15. Intangible assets

Group and Company	Goodwill £
Cost	
At 1 April 2022	6,219,032
Additions	7,041,672
At 31 March 2023	<u>13,260,704</u>
Amortisation	
At 1 April 2022	2,138,842
Charge for the year	307,844
At 31 March 2023	<u>2,446,686</u>
Carrying amount	
At 31 March 2023	<u>10,814,018</u>
At 31 March 2022	<u>4,080,190</u>

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

16. Tangible assets

Group and Company	Leasehold property £	Fixtures & fittings £	Equipment £	Total £
Cost				
At 1 April 2022	198,077	232,028	161,540	591,645
Additions	<u>72,187</u>	<u>25,507</u>	<u>57,468</u>	155,162
At 31 March 2023	<u>270,264</u>	<u>257,535</u>	<u>219,008</u>	746,807
Depreciation				
At 1 April 2022	198,077	120,691	121,620	440,388
Charge for the year	<u>2,613</u>	<u>38,478</u>	<u>30,900</u>	71,991
At 31 March 2023	<u>200,690</u>	<u>159,169</u>	<u>152,520</u>	512,379
Carrying amount				
At 31 March 2023	<u>69,574</u>	<u>98,366</u>	<u>66,488</u>	234,428
At 31 March 2022	<u>—</u>	<u>111,337</u>	<u>39,920</u>	151,257

Included within the carrying value of tangible assets are fixtures and fittings of £80,347 (2022: £94,499) held under finance leases or hire purchase agreements.

17. Investments

Group	Other investments £	Total £
Cost		
At 1 April 2022 and 31 March 2023	<u>263,917</u>	263,917
Impairment		
At 1 April 2022 and 31 March 2023	<u>263,917</u>	263,917
Carrying amount		
At 31 March 2023	<u>—</u>	—
At 31 March 2022	<u>—</u>	—

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

17. Investments (continued)

Company	Shares in group undertakings £	Other investments £	Total £
Cost			
At 1 April 2022	–	263,917	263,917
Additions	256	–	256
At 31 March 2023	256	263,917	264,173
Impairment			
At 1 April 2022 and 31 March 2023	–	263,917	263,917
Carrying amount			
At 31 March 2023	256	–	256
At 31 March 2022	–	–	–

Shares in group undertakings

	Class of share	Percentage of shares held
Subsidiary undertakings		
Shaw Gibbs (Audit) Limited	Ordinary	20
Shaw Gibbs Insolvency Limited	Ordinary	100
Firmvalue Payrolls Limited	Ordinary	100
Southern Secretarial Services Ltd	Ordinary	100

Shaw Gibbs (Audit) Limited is deemed to be a subsidiary undertaking of Shaw Gibbs Limited due to the dominant influence over its operating and financial policies. All subsidiary undertakings are registered in England and Wales. The principal activity of all subsidiary undertakings is the provision of business advice and accountancy, tax and related services.

18. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	2,809,004	1,194,005	2,438,039	1,194,005
Amounts owed by group undertakings	7,369	–	108,803	–
Prepayments and accrued income	1,018,050	660,365	944,496	660,365
Other debtors	852,265	2,278,672	1,155,226	2,278,672
	4,686,688	4,133,042	4,646,564	4,133,042

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements (continued)

Year ended 31 March 2023

19. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	269,320	281,025	269,320	281,025
Trade creditors	1,685,629	883,437	1,682,862	883,437
Amounts owed to group undertakings	4,234,611	–	4,234,611	–
Accruals and deferred income	647,604	510,418	635,946	510,418
Corporation tax	148,915	456,544	123,465	456,544
Social security and other taxes	374,851	345,936	254,537	345,936
Obligations under finance leases and hire purchase contracts	39,299	42,921	39,299	42,921
Directors' loan accounts	–	135,289	–	135,289
Other creditors	135,698	25,745	108,710	25,745
	<u>7,535,927</u>	<u>2,681,315</u>	<u>7,348,750</u>	<u>2,681,315</u>

Bank loans are secured by a debenture comprising fixed and floating charges over all the assets of the company.

Obligations under finance leases and hire purchase contracts are secured on the relevant assets of the company.

20. Creditors: amounts falling due after more than one year

	Group		Company	
	2023	2022	2023	2022
	£	£	£	£
Bank loans	740,579	1,006,662	740,579	1,006,662
Accruals and deferred income	30,332	–	30,332	–
Obligations under finance leases and hire purchase contracts	14,322	35,891	14,322	35,891
Directors' loan accounts	–	304,524	–	304,524
Other creditors	3,279,670	24,858	3,279,670	24,858
	<u>4,064,903</u>	<u>1,371,935</u>	<u>4,064,903</u>	<u>1,371,935</u>

Bank loans are secured by a debenture comprising fixed and floating charges over all the assets of the company and are repayable by monthly instalments expiring between November 2023 and December 2028.

Obligations under finance leases and hire purchase contracts are secured on the relevant assets of the company.

Included within other creditors falling due after more than one year is an amount of £nil (2022: £19,557) which is secured by way of a first priority fixed charge over other investments (see note 17)

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

21. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts for the group and the parent company are as follows:

	2023 £	2022 £
Not later than 1 year	45,574	47,122
Later than 1 year and not later than 5 years	17,470	40,461
	<u>63,044</u>	<u>87,583</u>
Less: future finance charges	(9,423)	(8,771)
Present value of minimum lease payments	<u>53,621</u>	<u>78,812</u>

22. Operating leases

The total future minimum lease payments under non-cancellable operating leases for the group and the parent company are as follows:

	2023 £	2022 £
Not later than 1 year	461,600	314,850
Later than 1 year and not later than 5 years	1,468,600	1,259,700
	<u>1,930,200</u>	<u>1,574,550</u>

23. Rent concession

During the year, the parent company was granted rent concessions of £nil (2022: £62,000) due to the coronavirus pandemic.

24. Called up share capital

Issued, called up and fully paid

	2023		2022	
	No.	£	No.	£
Ordinary B shares of £0.001 each	762,376	762	762,376	762
Ordinary C shares of £0.001 each	972,622	973	972,622	973
Ordinary D shares of £0.001 each	—	—	14,545	15
Ordinary E shares of £0.001 each	57,749	58	57,749	58
	<u>1,792,747</u>	<u>1,793</u>	<u>1,807,292</u>	<u>1,807</u>

Ordinary B shares, Ordinary D shares and Ordinary E shares have full voting and dividend rights and are entitled to return of capital on sale, winding up or capital reduction.

Ordinary C shares have full voting and dividend rights and are entitled to return of capital equal to par on sale, winding up or capital reduction.

25. Reserves

Reserves comprise a profit and loss account to hold distributable profits and a capital redemption reserve to hold shares purchased by the company.

Movements in each of these reserves are disclosed in the statement of changes in equity.

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

26. Contingent liabilities

The parent company has provided a statutory guarantee under section 479C Companies Act 2006 for the outstanding liabilities at the balance sheet date of the audit exempt subsidiary undertakings comprising Shaw Gibbs (Audit) Limited, Firmvalue Payrolls Limited and Southern Secretarial Services Limited.

27. Cash generated from operations

	2023 £	2022 £
Profit for the financial year	496,931	1,394,195
<i>Adjustments for:</i>		
Depreciation of tangible assets	71,991	88,194
Amortisation of intangible assets	307,844	307,844
Goodwill eliminated	510,257	—
Impairment of investments	—	18,146
Government grant income	—	(6,153)
Interest receivable	(750)	(125)
Interest payable and similar expenses	132,955	176,483
Tax on profit	320,427	432,974
Accrued expenses/(income)	167,518	112,999
<i>Changes in:</i>		
Trade and other debtors	(546,277)	(338,810)
Trade and other creditors	4,195,872	48,571
Amounts due to group undertakings	4,227,242	—
	<u>9,884,010</u>	<u>2,234,318</u>

28. Analysis of changes in net debt

	At 1 Apr 2022 £	Cash flows £	At 31 Mar 2023 £
Cash at bank and in hand	1,034,519	255,756	1,290,275
Debt due within one year	(459,235)	150,616	(308,619)
Debt due after one year	(1,347,077)	592,176	(754,901)
	<u>(771,793)</u>	<u>998,548</u>	<u>226,755</u>

29. Directors' advances, credits and guarantees

At 31 March 2023 the group owed £nil (2022: £439,813) to its directors by way of outstanding loans.

During the year the group incurred interest due to its directors on their loans of £50,597 (2022: £100,456). As at 31 March 2023 the group owed interest of £nil to its directors (2022: £100,448).

Shaw Gibbs Limited

Notes to the Consolidated Financial Statements *(continued)*

Year ended 31 March 2023

30. Related party transactions

During the year dividends of £378,111 (2022: £846,554) were paid to the members of the group.

Key management personnel of the group

The total remuneration awarded to the key management personnel of the group amounted to £598,847 (2022: £161,412).

Entities over which the group has control, joint control or significant influence:

	2023	2022
	£	£
Interest payable and similar charges	12,270	16,400
Other charges made to related parties	103,898	321,160
Amounts due from related parties	<u>546,903</u>	<u>2,236,678</u>

Other related parties:

	2023	2022
	£	£
Amounts due from group undertakings excluded from consolidation	7,369	–
Amounts due to group undertakings excluded from consolidation	<u>4,234,611</u>	<u>–</u>

31. Controlling party

The immediate parent undertaking of the group is Project Numbers Bidco Limited, a limited company incorporated in England and Wales, which owns 100% of the issued share capital of Shaw Gibbs Limited.

The ultimate parent undertaking of the group is Apiary Capital LLP, a limited liability partnership incorporated in England and Wales.