

COMPANY REGISTRATION NUMBER: 02830346

Britannia Services Group Limited

Financial Statements

30 April 2021

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Britannia Services Group Limited

Financial Statements

Year ended 30 April 2021

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Britannia Services Group Limited

Strategic Report

Year ended 30 April 2021

The Director presents his Strategic Report for the year ended 30 April 2021.

Review of the Business

The director aims 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. The Director's review is consistent with the size and non complex nature of the business and is written in the context of the risks and uncertainties the business faces. As a provider of cleaning services the business continues to provide services to a range of retail customers and its main income is derived from these services.

Financial Results

The Company has maintained its position in a competitive market in the current economic climate, where retailers are struggling to maintain their "High Street" locations. Turnover has decreased from £9,580,785 to £6,137,044. Overall there was an operating profit of £717,563 (2020 - £796,958); loss after tax was £150,660.

Principal Risks and Uncertainties

As for many businesses of our size, the business environment in which we operate continues to be challenging. The company is well established, however and has good customer loyalty and the director feels confident that the company can deal with the challenges ahead.

Future Developments

The business expects an increasing diversity of sales after the closure of a major customer. The company keeps tight control over new customers to minimise bad debts. The Director is clear about the priorities required for the continued development of the business in both the medium and long term and have the proven management capability to deliver. The director is aware that any future plans for the development of the business may be subject to unforeseen future events outside his control.

Covid 19 Pandemic

On 30 January 2020 a global pandemic was announced by the World Health Organisation which later became known as the Coronavirus disease (COVID-19). In response to this and to reduce the spread of the virus, social distancing restrictions were put in place by Governments around the world. In the United Kingdom these restrictions began on 23 March 2020 prohibiting non essential services from operating. Following a reduction in the number of cases, it was announced that restrictions would begin to be lifted on 10 May 2020.

On 5 November 2020 the United Kingdom Government required a further four week period of restrictions prohibiting non essential services from operating. Restrictions lifted on 2 December 2020.

A further period of restrictions applied from 6 January to 29 March 2021 when the "stay at home" blanket rule restriction was lifted.

The company has complied with all regulations and restrictions introduced by the Government during all periods of restrictions and continued to trade throughout the lockdown periods as a provider of cleaning services to supermarkets whilst the services provided to retail shops had to be put on hold during lockdown periods.

The company has made use of the Government's furlough scheme during these times of restrictions.

Key Performance Indicators


Given the straightforward nature of the business, the Director is of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

Britannia Services Group Limited

Strategic Report *(continued)*

Year ended 30 April 2021

This report was approved by the board of directors on 27/1/22 and signed on behalf of the board by:



Mr D Shaw
Director

Registered office:
Britannia House
45 Britannia Way
Lichfield
Staffordshire
WS14 7JS

Britannia Services Group Limited

Director's Report

Year ended 30 April 2021

The director presents his report and the financial statements of the company for the year ended 30 April 2021.

Director

The director who served the company during the year was as follows:

Mr D Shaw

Dividends

Particulars of recommended dividends are detailed in note 12 to the financial statements.

Employment of disabled persons

The company operates a fair policy in accordance with the current legislation with regard to disabled employees. Where disabled employees are employed, they are trained taking into account their disability.

Employee involvement

Employees are kept informed and involved of all relevant information which may be of concern to them.

Disclosure of information in the strategic report

Items required to be disclosed in the Director's Report under Schedule 7 of the Companies Act 2006 are set out in the Strategic Report in accordance with S414C(11) Companies Act 2006.

Director's responsibilities statement

The director is responsible for preparing the strategic report, director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and the profit or loss of the company for that period.

In preparing these financial statements, the director is 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 director is 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. He is 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.

Britannia Services Group Limited

Director's Report *(continued)*

Year ended 30 April 2021

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 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 company's auditor is aware of that information.

This report was approved by the board of directors on 27/1/22 and signed on behalf of the board by:



Mr D Shaw
Director

Registered office:
Britannia House
45 Britannia Way
Lichfield
Staffordshire
WS14 7JS

Britannia Services Group Limited

Independent Auditor's Report to the Members of Britannia Services Group Limited

Year ended 30 April 2021

Opinion

We have audited the financial statements of Britannia Services Group Limited (the 'company') for the year ended 30 April 2021 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, 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 company's affairs as at 30 April 2021 and of its loss 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 director with respect to going concern are described in the relevant sections of this report.

Britannia Services Group Limited**Independent Auditor's Report to the Members of Britannia Services Group Limited** *(continued)***Year ended 30 April 2021**

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 director is 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 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 director's report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the director's 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 director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Britannia Services Group Limited

Independent Auditor's Report to the Members of Britannia Services Group Limited *(continued)*

Year ended 30 April 2021

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Britannia Services Group Limited

Independent Auditor's Report to the Members of Britannia Services Group Limited *(continued)*

Year ended 30 April 2021

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 it is not a guarantee that an audit conducted in accordance with ISA's (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 aggregate, they could reasonably be expected to influence the economic decision 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

We obtained an understanding of the company's legal and regulatory framework and the industry in which it operates. We considered the risk of acts by the company that might have contravened applicable laws and regulations, including fraud. Our audit procedures were designed to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by way of forgery, intentional representations or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and third party company representatives. There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that representable a risk of material misstatement due to 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. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in 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.



Stuart Penfold (Senior Statutory Auditor)

For and on behalf of
Haslehursts Limited
Chartered accountants & Statutory Auditor
88 Hill Village Road

Britannia Services Group Limited

Independent Auditor's Report to the Members of Britannia Services Group Limited *(continued)*

Year ended 30 April 2021

Four Oaks
Sutton Coldfield
West Midlands
B75 5BE

27.01.2022

Britannia Services Group Limited

Statement of Comprehensive Income

Year ended 30 April 2021

	Note	2021 £	2020 £
Turnover	4	6,137,044	9,580,785
Cost of sales		<u>6,421,215</u>	<u>7,966,414</u>
Gross (loss)/profit		(284,171)	1,614,371
Administrative expenses		1,098,458	1,318,050
Other operating income	5	<u>2,100,192</u>	<u>500,637</u>
Operating profit	6	717,563	796,958
Exceptional Item - Bad Debts Written Off		(880,833)	-
Other interest receivable and similar income	10	<u>790</u>	<u>28,848</u>
(Loss)/profit before taxation		(162,480)	825,806
Tax on (loss)/profit	11	<u>(11,820)</u>	<u>157,593</u>
(Loss)/profit for the financial year and total comprehensive income		<u>(150,660)</u>	<u>668,213</u>

All the activities of the company are from continuing operations.

The notes on pages 15 to 24 form part of these financial statements.

Britannia Services Group Limited

Statement of Financial Position

30 April 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	13	474,799	582,005
Current assets			
Debtors	14	1,059,104	2,644,977
Cash at bank and in hand		1,845,786	2,199,722
		<u>2,904,890</u>	<u>4,844,699</u>
Creditors: amounts falling due within one year	15	<u>1,669,524</u>	<u>2,389,688</u>
Net current assets		1,235,366	2,455,011
Total assets less current liabilities		1,710,165	3,037,016
Creditors: amounts falling due after more than one year	16	—	889,821
Provisions			
Taxation including deferred tax	18	60,596	72,416
Net assets		<u>1,649,569</u>	<u>2,074,779</u>

The statement of financial position
continues on the following page.

The notes on pages 15 to 24 form part of these financial statements.

Britannia Services Group Limited**Statement of Financial Position** *(continued)***30 April 2021**

	Note	2021 £	2020 £
Capital and reserves			
Called up share capital	23	50,007	50,007
Capital redemption reserve	24	50,002	50,002
Other reserves, including the fair value reserve	24	140,000	140,000
Profit and loss account	24	1,409,560	1,834,770
Shareholders funds		1,649,569	2,074,779

These financial statements were approved by the board of directors and authorised for issue on ~~27/1/22~~ and are signed on behalf of the board by:



Mr D Shaw
Director

Company registration number: 02830346

Britannia Services Group Limited

Statement of Changes in Equity

Year ended 30 April 2021

	Called up share capital £	Capital redemption reserve £	Other reserves, including the fair value reserve £	Profit and loss account £	Total £
At 1 May 2019	100,009	–	140,000	4,477,562	4,717,571
Profit for the year	—	—	—	668,213	668,213
Total comprehensive income for the year	—	—	—	668,213	668,213
Dividends paid and payable 12	—	—	—	(311,005)	(311,005)
Cancellation of subscribed capital	(50,002)	50,002	—	—	—
Redemption of shares	—	—	—	(3,000,000)	(3,000,000)
Total investments by and distributions to owners	(50,002)	50,002	—	(3,311,005)	(3,311,005)
At 30 April 2020	50,007	50,002	140,000	1,834,770	2,074,779
Loss for the year	—	—	—	(150,660)	(150,660)
Total comprehensive income for the year	—	—	—	(150,660)	(150,660)
Dividends paid and payable 12	—	—	—	(274,550)	(274,550)
Total investments by and distributions to owners	—	—	—	(274,550)	(274,550)
At 30 April 2021	<u>50,007</u>	<u>50,002</u>	<u>140,000</u>	<u>1,409,560</u>	<u>1,649,569</u>

The notes on pages 15 to 24 form part of these financial statements.

Britannia Services Group Limited

Statement of Cash Flows

Year ended 30 April 2021

	2021 £	2020 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(150,660)	668,213
<i>Adjustments for:</i>		
Depreciation of tangible assets	89,050	121,721
Government grant income	(2,059,187)	(480,037)
Other interest receivable and similar income	(790)	(28,848)
(Gains)/loss on disposal of tangible assets	(4,729)	9,620
Tax on (loss)/profit	(11,820)	157,593
Accrued expenses/(income)	75,789	(610)
Other operating cash flow adjustment	—	1
<i>Changes in:</i>		
Trade and other debtors	1,585,873	914,539
Trade and other creditors	(1,518,171)	1,901,235
Cash generated from operations	(1,994,645)	3,263,427
Interest received	790	28,848
Tax paid	(165,677)	(105,554)
Net cash (used in)/from operating activities	(2,159,532)	3,186,721
Cash flows from investing activities		
Purchase of tangible assets	(26,117)	(101,497)
Proceeds from sale of tangible assets	49,002	33,449
Net cash from/(used in) investing activities	22,885	(68,048)
Cash flows from financing activities		
Purchase of own shares	—	(3,000,000)
Proceeds from borrowings	(1,431)	1,431
Government grant income	2,059,187	480,037
Payments of finance lease liabilities	(495)	(5,791)
Dividends paid	(274,550)	(311,005)
Net cash from/(used in) financing activities	1,782,711	(2,835,328)
Net (decrease)/increase in cash and cash equivalents	(353,936)	283,345
Cash and cash equivalents at beginning of year	2,199,722	1,916,377
Cash and cash equivalents at end of year	1,845,786	2,199,722

The notes on pages 15 to 24 form part of these financial statements.

Britannia Services Group Limited

Notes to the Financial Statements

Year ended 30 April 2021

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Britannia House, 45 Britannia Way, Lichfield, Staffordshire, WS14 7JS.

2. Statement of compliance

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

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

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.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Revenue from the rendering of 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 it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, 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.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

3. Accounting policies *(continued)*

Income tax *(continued)*

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

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

Long leasehold property	- 10% straight line
Plant & Machinery	- 10% reducing balance
Fixtures & Fittings	- 20% reducing balance
Motor Vehicles	- 25% reducing balance

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, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Britannia Services Group Limited**Notes to the Financial Statements** *(continued)***Year ended 30 April 2021**

3. Accounting policies *(continued)***Impairment of fixed assets** *(continued)*

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position 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 and the performance 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.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Britannia Services Group Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2021

3. Accounting policies (continued)

Provisions (continued)

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Financial instruments

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.

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.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2021 £	2020 £
Rendering of services	<u>6,137,044</u>	<u>9,580,785</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Other operating income

	2021 £	2020 £
Commission receivable	4,105	—
Management charges receivable	36,900	20,600
Government grant income	<u>2,059,187</u>	<u>480,037</u>
	<u>2,100,192</u>	<u>500,637</u>

Britannia Services Group Limited

Notes to the Financial Statements (continued)

Year ended 30 April 2021

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2021	2020
	£	£
Depreciation of tangible assets	89,050	121,721
(Gains)/loss on disposal of tangible assets	(4,729)	9,620
Impairment of trade debtors	—	587
	<u> </u>	<u> </u>

7. Auditor's remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	3,500	3,500
	<u> </u>	<u> </u>

8. Staff costs

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

	2021	2020
	No.	No.
Production staff	936	1,053
Administrative staff	22	22
Management staff	5	5
	<u> </u>	<u> </u>
	963	1,080

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

	2021	2020
	£	£
Direct wages	5,825,753	6,567,619
Wages and salaries	580,669	665,207
Social security costs	151,569	164,710
Other pension costs	19,530	24,770
	<u> </u>	<u> </u>
	6,577,521	7,422,306

9. Director's remuneration

The director's aggregate remuneration in respect of qualifying services was:

	2021	2020
	£	£
Remuneration	12,000	12,000
	<u> </u>	<u> </u>

10. Other interest receivable and similar income

	2021	2020
	£	£
Interest on cash and cash equivalents	790	6,633
Other interest receivable	—	22,215
	<u> </u>	<u> </u>
	790	28,848

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

11. Tax on (loss)/profit

Major components of tax (income)/expense

	2021 £	2020 £
Current tax:		
UK current tax expense	–	165,677
Adjustments in respect of prior periods	–	52
Total current tax	<u>–</u>	<u>165,729</u>
Deferred tax:		
Origination and reversal of timing differences	(11,820)	(8,136)
Tax on (loss)/profit	<u>(11,820)</u>	<u>157,593</u>

Reconciliation of tax (income)/expense

The tax assessed on the (loss)/profit on ordinary activities for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020: 19%).

	2021 £	2020 £
(Loss)/profit on ordinary activities before taxation	(162,480)	825,806
(Loss)/profit on ordinary activities by rate of tax	(30,871)	156,903
Effect of expenses not deductible for tax purposes	–	361
Effect of capital allowances and depreciation	8,300	8,413
Unused tax losses	22,571	–
Rounding on tax charge	–	52
Other tax adjustment to increase/(decrease) tax liability Deferred Tax	(11,820)	(8,136)
Tax on (loss)/profit	<u>(11,820)</u>	<u>157,593</u>

12. Dividends

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

	2021 £	2020 £
Dividends on equity shares	<u>274,550</u>	<u>311,005</u>

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

13. Tangible assets

	Land and buildings £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 May 2020	17,000	1,115,650	78,642	580,485	1,791,777
Additions	—	8,000	4,454	13,663	26,117
Disposals	—	—	—	(99,416)	(99,416)
At 30 April 2021	17,000	1,123,650	83,096	494,732	1,718,478
Depreciation					
At 1 May 2020	3,400	804,375	61,128	340,869	1,209,772
Charge for the year	1,700	32,950	3,856	50,544	89,050
Disposals	—	—	—	(55,143)	(55,143)
At 30 April 2021	5,100	837,325	64,984	336,270	1,243,679
Carrying amount					
At 30 April 2021	11,900	286,325	18,112	158,462	474,799
At 30 April 2020	13,600	311,275	17,514	239,616	582,005

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Motor vehicles £
At 30 April 2021	—
At 30 April 2020	9,709

14. Debtors

	2021 £	2020 £
Trade debtors	622,225	1,960,171
Prepayments and accrued income	221,361	561,925
Director's loan account	3,463	—
Other debtors	212,055	122,881
	1,059,104	2,644,977

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	95,964	70,010
Accruals and deferred income	83,741	7,952
Corporation tax	–	165,677
Social security and other taxes	644,875	760,314
Obligations under finance leases and hire purchase contracts	–	495
Other creditors	844,944	1,385,240
	<u>1,669,524</u>	<u>2,389,688</u>

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

	2021	2020
	£	£
Director loan accounts	–	1,431
Other creditors - Share capital sale	–	888,390
	<u>–</u>	<u>889,821</u>

17. Finance leases and hire purchase contracts

The total future minimum lease payments under finance leases and hire purchase contracts are as follows:

	2021	2020
	£	£
Not later than 1 year	–	517
Less: future finance charges	–	(22)
	<u>–</u>	<u>495</u>

18. Provisions

	Deferred tax (note 19)
	£
At 1 May 2020	72,416
Transfers	(11,820)
At 30 April 2021	<u>60,596</u>

19. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2021	2020
	£	£
Included in provisions (note 18)	<u>60,596</u>	<u>72,416</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2021	2020
	£	£
Accelerated capital allowances	<u>60,596</u>	<u>72,416</u>

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

20. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £19,530 (2020: £24,770).

21. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2021 £	2020 £
Recognised in other operating income:		
Government grants recognised directly in income	<u>2,059,187</u>	<u>480,037</u>

22. Financial instruments

Financial instruments comprise Cash at Bank and Debtors and Creditors all due within one year and under normal trading terms. These are not discounted to net present value. Creditors due in more than one year relate to the sale of share capital and the amount is not discounted to net present value as the difference in amount is not material.

23. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No.	£	No.	£
Ordinary A shares of £1 each	50,001	50,001	50,001	50,001
Ordinary B shares of £1 each	6	6	6	6
	<u>50,007</u>	<u>50,007</u>	<u>50,007</u>	<u>50,007</u>

24. Reserves

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs. Profit and loss account - This reserve records retained earnings and accumulated losses. Capital redemption reserve - This reserve represents share capital redeemed.

25. Analysis of changes in net debt

	At 1 May 2020 £	Cash flows £	At 30 Apr 2021 £
Cash at bank and in hand	2,199,722	(353,936)	1,845,786
Debt due within one year	(495)	495	-
Debt due after one year	(1,431)	1,431	-
	<u>2,197,796</u>	<u>(352,010)</u>	<u>1,845,786</u>

Britannia Services Group Limited

Notes to the Financial Statements *(continued)*

Year ended 30 April 2021

26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2021	2020
	£	£
Not later than 1 year	—	2,868
	<u> </u>	<u> </u>

27. Director's advances, credits and guarantees

A director has a loan from the company of which there was £3,463 (2020 - £0) outstanding at the year end.

28. Related party transactions

The company was under the control of Mr David Shaw throughout the current and previous year. Mr Shaw is the managing director and majority shareholder. The company is related by common shareholder to Britannia Services (UK) Limited, and during the year charged that company £36,900 facilities management fee (2020 - £20,600). As at 30 April 2021 the balance owed from Britannia Services (UK) Limited was £0 (2020 - £0).

During the year the company made payment for expenses of £89,174 (2020 - £0) on behalf of Lava Skull Limited (formerly known as Iceflame Limited), a company in which Mr David Shaw is a director. The balance owing at 30 April 2021 was £202,976 (2020 - £113,802).

During the year the company paid rent of £37,000 (2020 - £37,000) to Vita Brand Limited, a company controlled by Mr D Shaw.

29. Exceptional item - bad debts

During the year the company incurred exceptional, non recurring, bad debts due to one of its customers, Arcadia Group, going into administration.