

Company Registration No. 02945461 (England and Wales)

WARNER LAND SURVEYS LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2019

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WARNER LAND SURVEYS LIMITED

COMPANY INFORMATION

Directors	D D Hutson J S Pearce C R Webb
Company number	02945461
Registered office	Unit 22 Theale Lakes Business Park Moulden Way Sulhampstead Reading Berkshire RG7 4GB
Accountants	Azets Griffins Court 24-32 London Road Newbury Berkshire RG14 1JX

WARNER LAND SURVEYS LIMITED

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WARNER LAND SURVEYS LIMITED

STRATEGIC REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2019

The directors present the strategic report for the period ended 31 December 2019.

Fair review of the business

The results for the period and key performance indicators are as follows:

	5 months to December 2019	Year to July 2019
Revenue	£6,897,406	£16,359,958
Operating profit	£2,914,958	£6,999,191
Operating margin	42.3%	42.8%
Profit / (loss) after tax	£1,741,728	£5,358,793
Current ratio	5.65	3.74
Cash at bank and in hand	£5,720,072	£2,840,036

Warner Surveys has experienced favourable performance throughout the period, securing new work opportunities across all areas in which the business operates. Whilst operating margin has decreased slightly in the period, cash at bank and in hand has increased significantly.

In order to deliver projects in the most efficient and cost-effective way for the benefit of its clients, Warner Surveys invests in the latest survey equipment, including Unmanned Aerial Vehicle (UAV) technology. It is anticipated that this investment will continue to generate benefits into the future.

During the next 12 months, Warner Surveys will look to consolidate its position in its primary sectors in the UK as well work collaboratively with other group companies including Warner Surveys Utility Mapping Limited. Warner Surveys will also seek new opportunities internationally. Whilst contracts currently being delivered by the Warner Surveys branch office in Kazakhstan are likely to conclude in 2021, it is anticipated that this will be supplemented by new opportunities in the region by working closely with Warner Surveys International Limited and WG Group LLP, its Kazakhstan registered JV undertaking.

Principal risks and uncertainties

The Directors monitor the key business risks faced by the business on an ongoing basis, together with assessing the operation of key controls used to manage these risks.

Economic Uncertainty

Uncertainty exists with regards to the performance of the sectors in which Warner Surveys operates and the wider economy, particularly given the uncertainty regarding Brexit and the impact of the Covid-19 pandemic. On an ongoing basis, the Directors assess the impact of the foregoing. Whilst the long term impact may not currently be clear, comfort can be taken from the favourable financial position of Warner Surveys.

Credit Risk

Business failure of clients operating within the UK construction sector is always a possibility. Warner Surveys manages this risk by not being over reliant on a small number of clients and undertakes appropriate due diligence on new customers.

Competition

Loss of opportunity through increased competition is mitigated by operating across different sectors, different geographic markets, diversification of services and by investing in latest survey technology in order to maintain competitive advantage.

Key performance indicators

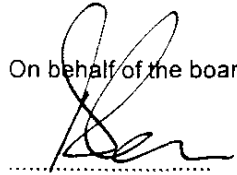
Profitability and liquidity are the key performance indicators for the company and are included in the Business Review.

WARNER LAND SURVEYS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

On behalf of the board



.....
D D Hutson
Director
.....

21/09/2020

WARNER LAND SURVEYS LIMITED

DIRECTORS' REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2019

The directors present their annual report and financial statements for the period ended 31 December 2019.

Principal activities

Warner Land Surveys Limited ("Warner Surveys") is a multi-disciplinary land and engineering surveying company, providing services to clients in the construction, infrastructure and oil and gas sectors. Services delivered include topographical land surveys, site engineering surveys, movement monitoring, underground utility surveys and dimensional control surveys. It trades in the UK from its offices in London, Reading, Birmingham and Bristol.

Branches

Whilst most contracts are delivered in the UK, Warner Surveys operates internationally and trades in Kazakhstan through a branch office.

Directors

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

S G Wilkinson

(Resigned 31 July 2020)

D D Hutson

J S Pearce

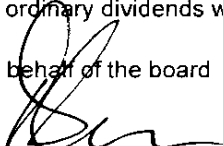
C R Webb

Results and dividends

The results for the period are set out on page 5.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

On behalf of the board



.....
D D Hutson

Director

Date:

21/09/2020

WARNER LAND SURVEYS LIMITED

ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF WARNER LAND SURVEYS LIMITED FOR THE PERIOD ENDED 31 DECEMBER 2019

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Warner Land Surveys Limited for the period ended 31 December 2019 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

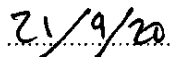
This report is made solely to the Board of Directors of Warner Land Surveys Limited, as a body, in accordance with the terms of our engagement letter dated 14 June 2019. Our work has been undertaken solely to prepare for your approval the financial statements of Warner Land Surveys Limited and state those matters that we have agreed to state to the Board of Directors of Warner Land Surveys Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Warner Land Surveys Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Warner Land Surveys Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Warner Land Surveys Limited. You consider that Warner Land Surveys Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of Warner Land Surveys Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.



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Griffins Court
24-32 London Road
Newbury
Berkshire
RG14 1JX

WARNER LAND SURVEYS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE PERIOD ENDED 31 DECEMBER 2019

		Period ended 31/12/19	Year ended 31/07/19 as restated
	Notes	£	£
Turnover	4	6,897,406	16,359,958
Cost of sales		(3,203,369)	(7,664,328)
Gross profit		3,694,037	8,695,630
Administrative expenses		(779,079)	(1,696,439)
Operating profit	5	2,914,958	6,999,191
Interest receivable and similar income	8	1,795	-
Interest payable and similar expenses	9	(2,824)	(6,532)
Profit before taxation		2,913,929	6,992,659
Tax on profit	11	(1,172,201)	(1,633,866)
Profit for the financial period		1,741,728	5,358,793

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

WARNER LAND SURVEYS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 31 DECEMBER 2019

	Period ended 31/12/19 £	Year ended 31/07/19 £
Profit for the period	1,741,728	5,358,793
Other comprehensive income		
Currency translation differences	(74,344)	118,584
Total comprehensive income for the period	<u>1,667,384</u>	<u>5,477,377</u>

WARNER LAND SURVEYS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2019


		31/12/19		31/07/19	
	Notes	£	£	as restated	£
Fixed assets					
Tangible assets	13		462,051		603,776
Current assets					
Debtors	14	3,734,391		5,400,078	
Cash at bank and in hand		5,720,072		2,840,036	
		9,454,463		8,240,114	
Creditors: amounts falling due within one year	15	(1,672,995)		(2,200,866)	
Net current assets			7,781,468		6,039,248
Total assets less current liabilities			8,243,519		6,643,024
Creditors: amounts falling due after more than one year	16		(13,775)		(62,102)
Provisions for liabilities	18		(29,416)		(47,978)
Net assets			8,200,328		6,532,944
Capital and reserves					
Called up share capital	21		71,000		71,000
Profit and loss reserves			8,129,328		6,461,944
Total equity			8,200,328		6,532,944

For the financial period ended 31 December 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

The financial statements were approved by the board of directors and authorised for issue on 21/09/2020 and are signed on its behalf by:



D D Hutson
Director

Company Registration No. 02945461

WARNER LAND SURVEYS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
As restated for the period ended 31 July 2019:				
Balance at 1 August 2018		71,000	2,030,567	2,101,567
Period ended 31 July 2019:				
Profit for the period		-	5,358,793	5,358,793
Other comprehensive income:				
Currency translation differences		-	118,584	118,584
Total comprehensive income for the period		-	5,477,377	5,477,377
Dividends	12	-	(1,046,000)	(1,046,000)
Balance at 31 July 2019		71,000	6,461,944	6,532,944
Period ended 31 December 2019:				
Profit for the period		-	1,741,728	1,741,728
Other comprehensive income:				
Currency translation differences		-	(74,344)	(74,344)
Total comprehensive income for the period		-	1,667,384	1,667,384
Balance at 31 December 2019		71,000	8,129,328	8,200,328

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Warner Land Surveys Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 22 Theale Lakes Business Park, Moulden Way, Sulhampstead, Reading, Berkshire, RG7 4GB.

1.1 Accounting convention

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

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

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

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

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

The financial statements of the company are consolidated in the financial statements of Warner Land Surveys Holdings Limited. These consolidated financial statements are available from its registered office, Unit 22 Theale Lakes Business Park, Moulden Way, Sulhamstead, Reading, England, RG7 4GB.

1.2 Going concern

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

1.3 Reporting period

These financial statements are presented for the period from 1 August 2019 to 31 December 2019, as the company has shortened the accounting period so that the year end is in line with that required for local reporting of the foreign branch. Comparative amounts presented in the financial statements (including the related notes) relate to the year ended 31 July 2019 are not entirely comparable.

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.4 Turnover

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

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

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

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

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

1.5 Tangible fixed assets

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

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

Survey equipment	Straight line over 3 years
Computer equipment	Straight line over 3 years
Motor vehicles	Straight line over 5 years

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

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

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

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Classification of financial liabilities

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

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.9 Equity instruments

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

1.10 Taxation

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

Current tax

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

Deferred tax

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

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

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

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

1.13 Leases

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

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

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease.

1.14 Foreign exchange

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

Unrealised gains from exchange differences arising on monetary assets and liabilities which form part of the company's net investment in a foreign operation are recognised in other comprehensive income.

2 Change in accounting policy

The company has chosen to present all the directors remuneration and office staff within administrative expenses, with no element presented within cost of sales. The impact of this change to the prior year is a decrease in cost of sales of £631,348 and an increase in administrative expenses of the same amount. There is no impact on the current period, profit or net assets.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition

The key judgements made by management in respect of revenue is the point at which that revenue should be recognised. Management consider the underlying contract terms and conclude upon the most appropriate point of the cycle at which to recognise revenue based upon the these terms and in particular where the risks and rewards of ownership transfer.

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessment consider issues such as the remaining life of the asset and the projected disposal value.

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

4 Turnover and other revenue

	31/12/19 £	31/07/19 £
Other significant revenue		
Interest income	1,795	-
	<u>1,795</u>	<u>-</u>
	31/12/19 £	31/07/19 £
Turnover analysed by geographical market		
UK	1,941,045	4,393,146
Asia	4,956,361	11,966,812
	<u>6,897,406</u>	<u>16,359,958</u>

5 Operating profit

	31/12/19 £	31/07/19 £
Operating profit for the period is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(14,459)	(228,552)
Depreciation of owned tangible fixed assets	63,270	84,964
Depreciation of tangible fixed assets held under finance leases	78,113	108,389
(Profit)/loss on disposal of tangible fixed assets	(7,987)	15,936
Operating lease charges	52,068	116,067
	<u>130,005</u>	<u>75,804</u>

6 Employees

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

	31/12/19 Number	31/07/19 Number
Direct	57	46
Management	4	5
Administration	8	8
	<u>69</u>	<u>59</u>
Total	69	59

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

6 Employees (Continued)

Their aggregate remuneration comprised:

	31/12/19 £	31/07/19 £
Wages and salaries	1,211,871	3,164,649
Social security costs	122,963	258,722
Pension costs	43,624	83,773
	<u>1,378,458</u>	<u>3,507,144</u>

7 Directors' remuneration

	31/12/19 £	31/07/19 £
Remuneration for qualifying services	167,658	456,495
Company pension contributions to defined contribution schemes	8,870	21,667
	<u>176,528</u>	<u>478,162</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (31/07/19 - 5).

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

	31/12/19 £	31/07/19 £
Remuneration for qualifying services	42,075	90,750
Company pension contributions to defined contribution schemes	2,890	6,358
	<u></u>	<u></u>

8 Interest receivable and similar income

	31/12/19 £	31/07/19 £
Interest income		
Interest on bank deposits	1,795	-
	<u></u>	<u></u>

9 Interest payable and similar expenses

	31/12/19 £	31/07/19 £
Interest on finance leases and hire purchase contracts	2,824	6,532
	<u></u>	<u></u>

10 Exchange differences recognised in equity

Exchange losses recognised in equity during the period amounted to £74,344 (2019 - gains of £118,584).

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 DECEMBER 2019

11 Taxation

	31/12/19 £	31/07/19 £
Current tax		
UK corporation tax on profits for the current period	20,494	-
Adjustments in respect of prior periods	-	68,476
Total UK current tax	20,494	68,476
Foreign current tax on profits for the current period	1,170,269	1,565,871
Total current tax	1,190,763	1,634,347
Deferred tax		
Origination and reversal of timing differences	(18,562)	(481)
Total tax charge	1,172,201	1,633,866

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	31/12/19 £	31/07/19 £
Profit before taxation	2,913,929	6,992,659
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (31/07/19: 19%)	553,647	1,328,605
Tax effect of expenses that are not deductible in determining taxable profit	260	459
Group relief	(2,670)	-
Effect of overseas tax rates	620,964	236,326
Under/(over) provided in prior years	-	68,476
Taxation charge for the period	1,172,201	1,633,866

12 Dividends

	31/12/19 £	31/07/19 £
Interim paid	-	1,046,000

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

13 Tangible fixed assets

	Survey equipment £	Computer equipment £	Motor vehicles £	Total £
Cost				
At 1 August 2019	769,410	169,659	33,460	972,529
Additions	4,234	7,664	-	11,898
Disposals	(20,400)	-	-	(20,400)
At 31 December 2019	753,244	177,323	33,460	964,027
Depreciation and impairment				
At 1 August 2019	277,090	87,331	4,332	368,753
Depreciation charged in the period	80,404	58,191	2,788	141,383
Eliminated in respect of disposals	(8,160)	-	-	(8,160)
At 31 December 2019	349,334	145,522	7,120	501,976
Carrying amount				
At 31 December 2019	403,910	31,801	26,340	462,051
At 31 July 2019	492,320	82,328	29,128	603,776

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	31/12/19 £	31/07/19 £
Survey equipment	266,704	318,922
Computer equipment	-	38,315
	266,704	357,237

14 Debtors

	31/12/19 £	31/07/19 £
Amounts falling due within one year:		
Trade debtors	2,152,166	2,811,188
Gross amounts owed by contract customers	960,948	2,154,750
Corporation tax recoverable	10,283	-
Amounts owed by group undertakings	457,054	340,773
Other debtors	1,861	1,452
Prepayments and accrued income	152,079	91,915
	3,734,391	5,400,078

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

15 Creditors: amounts falling due within one year

	Notes	31/12/19 £	31/07/19 £
Obligations under finance leases	17	125,023	138,527
Trade creditors		725,718	971,007
Corporation tax		20,494	34,655
Other taxation and social security		392,473	415,820
Other creditors		130,340	305,998
Accruals and deferred income		278,947	334,859
		<u>1,672,995</u>	<u>2,200,866</u>

Hire purchase liabilities of £125,023 (31 July 2019: £138,527) are secured on the related assets.

16 Creditors: amounts falling due after more than one year

	Notes	31/12/19 £	31/07/19 £
Obligations under finance leases	17	13,775	62,102

Hire purchase liabilities of £13,775 (31 July 2019: £62,102) are secured on the related assets.

17 Finance lease obligations

	31/12/19 £	31/07/19 £
Future minimum lease payments due under finance leases:		
Within one year	125,023	138,527
In two to five years	13,775	62,102
	<u>138,798</u>	<u>200,629</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

18 Provisions for liabilities

	Notes	31/12/19 £	31/07/19 £
Deferred tax liabilities	19	29,416	47,978

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

19 Deferred taxation

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

	Liabilities 31/12/19 £	Liabilities 31/07/19 £
Balances:		
Accelerated capital allowances	29,416	47,978
	<u>29,416</u>	<u>47,978</u>
Movements in the period:		31/12/19 £
Liability at 1 August 2019		47,978
Credit to profit or loss		(18,562)
		<u>29,416</u>
Liability at 31 December 2019		<u>29,416</u>

20 Retirement benefit schemes

	31/12/19 £	31/07/19 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	43,624	83,773
	<u>43,624</u>	<u>83,773</u>

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

21 Share capital

	31/12/19 £	31/07/19 £
Ordinary share capital		
Issued and fully paid		
71,000 Ordinary Shares of £1 each	71,000	71,000
	<u>71,000</u>	<u>71,000</u>

WARNER LAND SURVEYS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2019

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31/12/19	31/07/19
	£	£
Within one year	107,070	105,410
Between two and five years	108,775	152,228
	<u>215,845</u>	<u>257,638</u>

24 Ultimate controlling party

The parent company is WLS Management Limited, the registered office of which is Unit 22 Theale Lakes Business Park, Moulden Way, Sulhamstead, Reading, England, RG7 4GB.

The ultimate parent company is Warner Land Surveys Holdings Limited, the registered office of which is Unit 22 Theale Lakes Business Park, Moulden Way, Sulhamstead, Reading, England, RG7 4GB.

Warner Land Surveys Holdings Group is the smallest, and largest, group of undertakings for which group accounts are drawn up in which Warner Land Surveys Limited is a member. Copies of the group accounts are available from its registered office.

25 Prior period adjustment

The company has chosen to present all the directors remuneration and office staff within administrative expenses, with no element presented within cost of sales. The impact of this change to the prior year is a decrease in cost of sales of £631,348 and an increase in administrative expenses of the same amount.

There is no impact on the current period, profit or net assets.