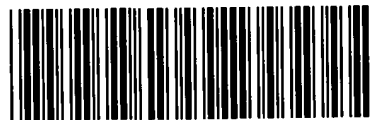


**REGISTERED NUMBER: 03163497 (England and Wales)**

**Group Strategic Report,  
Report of the Directors and  
Consolidated Financial Statements  
for the Year Ended 31 March 2021  
for  
Creditscale Limited**

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for the Year Ended 31 March 2021**

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**Creditscale Limited**

**Company Information  
for the Year Ended 31 March 2021**

**DIRECTORS:**

J Finley  
V Finley  
J Raistrick  
G J Finley

**SECRETARIES:**

J Raistrick

**REGISTERED OFFICE:**

Whinbank Road  
Aycliffe Business Park  
NEWTON AYCLIFFE  
Co Durham  
DL5 6AY

**REGISTERED NUMBER:**

03163497 (England and Wales)

**SENIOR STATUTORY  
AUDITOR:**

Kevin Shotton BA BFP ACA

**AUDITORS:**

Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

**Group Strategic Report  
for the Year Ended 31 March 2021**

The directors present their strategic report of the company and the group for the year ended 31 March 2021.

The principal activity of the business changed during 2020 from property investment to creating a group structure incorporating Finley Structures Ltd and S.C.H. Site Services Ltd.

2020 was a year of significant challenges dominated by the impact of COVID-19. All businesses within the group had very different experiences with revenue and operational challenges.

**REVIEW OF BUSINESS**

Following the group restructure during the year the reported consolidated results reflect those for the group for the first time with turnover of £12,612,351 and profit before taxation of £233,547.

Creditscale Limited was impacted by COVID-19 during 2020/21 due to agreeing rent free periods to tenants who were impacted by the pandemic.

Finley Structures Ltd is one of the leading structural steelwork contractors with a highly experienced workforce capable of delivering projects from simple frames to complex structures. With factory and offices located in County Durham, the business is well established in the industry delivering in excess of 10,000 tonnes of steel to all market sectors.

We were very fortunate to have secured over 8,000 tones in the later part of 2019 carrying us through 2020 and the pandemic. The factory continued to fabricate and deliver as all of the sites remained operational. The challenges were operational and keeping employees safe whilst continuing to deliver to the construction industry.

SCH Site Services Ltd is again well recognised within the industry which offers a combination of structural and secondary steelwork, refurbishments and with site teams that are multi skilled and experienced. With a factory and offices in County Durham, the business manufactures and installs in excess of 5,000 tones of steel to all market sectors.

A very different picture for SCH as sites closed and orders did not come to fruition or contracts were postponed. There were long periods of furlough utilising the JRS and turnover reduced by 39% as a result.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The business performance is subject to a number of risks and uncertainties. The main risks affecting the business are considered to relate to the strength of the construction market, raw material costs and competition in the manufacturing sector. The group's strategy is, where possible, to mitigate the effects of such risks occurring. The directors re-evaluate regularly the ongoing performance of the business. During this financial year the group has successfully maintained ISO9001, ISO14001 and CE Marking. Data is analysed monthly with annual assessments carried out by the respective governing body. In addition monthly management accounts are produced and assessed for:

- Customer base, sales targets achieved/attainable
- Customer satisfaction
- Purchasing - costs of raw materials, quality control
- Manufacturing - valuation of costs, quality of raw materials, quality control, ensure work completed to timescale.

**Financial risk management**

The group's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk and liquidity risk. The process of risk acceptance and risk management is addressed through a framework of policies, procedures and internal controls. All policies are subject to Board approval and ongoing review by management, risk management and internal audit.

**Credit risk**

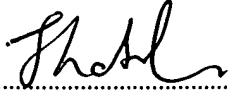
The group operates a very strict credit policy which leaves minimal exposure. The operation of this policy requires on-going credit analysis on existing customers and identifying risk, well in advance, regarding potential customers ensuring the correct trading terms, if any, are in place to protect the business.

**Group Strategic Report  
for the Year Ended 31 March 2021**

**SUMMARY**

I would like to thank all employees for their continued support during these difficult times. We have had a good start to 2021/22 with secured orders and whilst material prices are turbulent, as long as we control the risk, I feel the future is optimistic.

**ON BEHALF OF THE BOARD:**



.....  
J Raistrick - Director

Date: ..... 21/12/21

**Report of the Directors  
for the Year Ended 31 March 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31 March 2021.

**DIVIDENDS**

The total distribution of dividends for the year ended 31 March 2021 will be £266,667.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 April 2020 to the date of this report.

J Finley  
V Finley

Other changes in directors holding office are as follows:

J Raistrick - appointed 13 October 2020  
G J Finley - appointed 13 October 2020

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

**AUDITORS**

The auditors, Clive Owen LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**ON BEHALF OF THE BOARD:**



.....  
J Raistrick - Director

Date: 21/12/21

## **Report of the Independent Auditors to the Members of Creditscale Limited**

### **Opinion**

We have audited the financial statements of Creditscale Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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's and the 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of  
Creditscale Limited**

**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 Group Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.



**Report of the Independent Auditors to the Members of  
Creditscale Limited**

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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:

We undertake the following procedures to identify and respond to these risks of non-compliance:

- Understanding the key legal and regulatory frameworks that are applicable to the group. We communicated identified laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit. We determined the most significant of these to be around health & safety, product quality, product safety, employment law, company law and taxation law.
- Enquiry of directors and management as to policies and procedures to ensure compliance and any known instances of non-compliance.
- Review of board minutes and correspondence with regulators.
- Enquiry of directors and management as to areas of the financial statements susceptible to fraud and how these risks are managed.
- Challenging management on key estimates, assumptions and judgements made in the preparation of the financial statements. These key areas of uncertainty are disclosed in the accounting policies.
- Identifying and testing unusual journal entries, with a particular focus on manual journal entries.

Through these procedures, we did not become aware of actual or suspected non-compliance.

We planned and performed our audit in accordance with auditing standards but owing to the inherent limitations of procedures required in these areas, there is an unavoidable risk that we may not have detected a material misstatement in the accounts. 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. 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 concealment, collusion, forgery, misrepresentations, or override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Other matters which we are required to address**

The financial statements for Creditscale Limited for the year ended 31 March 2020 were not audited.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Clive Owen* *wp*

Kevin Shotton BA BFP ACA (Senior Statutory Auditor)  
for and on behalf of Clive Owen LLP  
Chartered Accountants  
& Statutory Auditors  
140 Coniscliffe Road  
Darlington  
County Durham  
DL3 7RT

Date: 23/12/21

**Consolidated  
Income Statement  
for the Year Ended 31 March 2021**

	Notes	2021 £	2020 £
<b>TURNOVER</b>		12,612,351	26,730
Cost of sales		<u>11,742,618</u>	<u>-</u>
<b>GROSS PROFIT</b>		869,733	26,730
Administrative expenses		<u>1,266,441</u>	<u>211,936</u>
		(396,708)	(185,206)
Other operating income		<u>659,701</u>	<u>441,016</u>
<b>GROUP OPERATING PROFIT</b>	4	262,993	255,810
Share of operating (loss)/profit in Associates		(3,204)	21,921
Interest receivable and similar income		<u>7</u>	<u>-</u>
		259,796	277,731
Gain/loss on revaluation of investment property		<u>-</u>	<u>670,000</u>
		259,796	947,731
Interest payable and similar expenses	5	<u>26,249</u>	<u>24,941</u>
<b>PROFIT BEFORE TAXATION</b>		233,547	922,790
Tax on profit	6	<u>(107,234)</u>	<u>177,608</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>340,781</u>	<u>745,182</u>
Profit attributable to: Owners of the parent		<u>340,781</u>	<u>745,182</u>

The notes form part of these financial statements

**Creditscale Limited (Registered number: 03163497)**

**Consolidated  
Other Comprehensive Income  
for the Year Ended 31 March 2021**

	Notes	2021 £	2020 £
<b>PROFIT FOR THE YEAR</b>		340,781	745,182
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>340,781</u>	<u>745,182</u>
Total comprehensive income attributable to: Owners of the parent		<u>340,781</u>	<u>745,182</u>

The notes form part of these financial statements

**Consolidated Balance Sheet**  
**31 March 2021**

	Notes	2021	2020
		£	£
<b>FIXED ASSETS</b>			
Intangible assets	9	(109,804)	-
Tangible assets	10	4,346,793	238,996
Investments	11	-	483,945
Investment property	12	<u>2,069,895</u>	<u>4,221,799</u>
		6,306,884	4,944,740
<b>CURRENT ASSETS</b>			
Stocks	13	63,816	-
Debtors	14	4,363,128	157,975
Cash at bank and in hand		<u>2,101,606</u>	<u>33,280</u>
		6,528,550	191,255
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>4,607,773</u>	<u>1,823,794</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>1,920,777</u>	<u>(1,632,539)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		8,227,661	3,312,201
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(769,084)	(609,468)
<b>PROVISIONS FOR LIABILITIES</b>	20	<u>(556,511)</u>	<u>(284,781)</u>
<b>NET ASSETS</b>		<u>6,902,066</u>	<u>2,417,952</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	296	100
Share premium	22	4,409,804	-
Revaluation reserve	22	1,500,814	1,500,814
Retained earnings	22	<u>991,152</u>	<u>917,038</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>6,902,066</u>	<u>2,417,952</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21/12/21 and were signed on its behalf by:


  
.....  
J Raistrick - Director

The notes form part of these financial statements

**Company Balance Sheet**  
**31 March 2021**

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Intangible assets	9	-	-
Tangible assets	10	2,361,390	238,996
Investments	11	4,436,993	200
Investment property	12	<u>2,069,895</u>	<u>4,221,799</u>
		8,868,278	4,460,995
<b>CURRENT ASSETS</b>			
Debtors	14	446,874	157,975
Cash at bank		<u>50,406</u>	<u>33,280</u>
		497,280	191,255
<b>CREDITORS</b>			
Amounts falling due within one year	15	<u>2,167,417</u>	<u>1,823,794</u>
<b>NET CURRENT LIABILITIES</b>		<u>(1,670,137)</u>	<u>(1,632,539)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		7,198,141	2,828,456
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(469,425)	(609,468)
<b>PROVISIONS FOR LIABILITIES</b>	20	<u>(280,066)</u>	<u>(284,781)</u>
<b>NET ASSETS</b>		<u>6,448,650</u>	<u>1,934,207</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	21	296	100
Share premium		4,409,804	-
Revaluation reserve		1,500,814	1,500,814
Retained earnings		<u>537,736</u>	<u>433,293</u>
<b>SHAREHOLDERS' FUNDS</b>		<u>6,448,650</u>	<u>1,934,207</u>
Company's profit for the financial year		<u>371,110</u>	<u>723,261</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21/12/21 and were signed on its behalf by:

  
.....  
J Raistrick - Director

Consolidated Statement of Changes in Equity  
for the Year Ended 31 March 2021

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
<b>Balance at 1 April 2019</b>	100	912,864	-	959,806	1,872,770
<b>Changes in equity</b>					
Dividends	-	(200,000)	-	-	(200,000)
Total comprehensive income	-	745,182	-	-	745,182
Transfer on revaluation	-	(541,008)	-	541,008	-
<b>Balance at 31 March 2020</b>	<u>100</u>	<u>917,038</u>	<u>-</u>	<u>1,500,814</u>	<u>2,417,952</u>
<b>Changes in equity</b>					
Issue of share capital	196	-	4,409,804	-	4,410,000
Dividends	-	(266,667)	-	-	(266,667)
Total comprehensive income	-	340,781	-	-	340,781
<b>Balance at 31 March 2021</b>	<u>296</u>	<u>991,152</u>	<u>4,409,804</u>	<u>1,500,814</u>	<u>6,902,066</u>

The notes form part of these financial statements

**Company Statement of Changes in Equity  
for the Year Ended 31 March 2021**

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
<b>Balance at 1 April 2019</b>	100	451,040	-	959,806	1,410,946
<b>Changes in equity</b>					
Dividends	-	(200,000)	-	-	(200,000)
Total comprehensive income	-	723,261	-	-	723,261
Transfer on revaluation	-	(541,008)	-	541,008	-
<b>Balance at 31 March 2020</b>	<u>100</u>	<u>433,293</u>	<u>-</u>	<u>1,500,814</u>	<u>1,934,207</u>
<b>Changes in equity</b>					
Issue of share capital	196	-	4,409,804	-	4,410,000
Dividends	-	(266,667)	-	-	(266,667)
Total comprehensive income	-	371,110	-	-	371,110
<b>Balance at 31 March 2021</b>	<u>296</u>	<u>537,736</u>	<u>4,409,804</u>	<u>1,500,814</u>	<u>6,448,650</u>

The notes form part of these financial statements

**Consolidated Cash Flow Statement  
for the Year Ended 31 March 2021**

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(1,617,346)	397,425
Interest paid		(16,540)	(24,941)
Interest element of hire purchase payments paid		(9,709)	-
Tax paid		<u>62,175</u>	<u>(56,125)</u>
Net cash from operating activities		<u>(1,581,420)</u>	<u>316,359</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(51,343)	-
Sale of tangible fixed assets		4,376	-
Cash inherited on acquisition		2,902,447	-
Interest received		<u>7</u>	<u>-</u>
Net cash from investing activities		<u>2,855,487</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
New loans in year		1,220,000	-
Loan repayments in year		(64,255)	(127,807)
Hire purchase repayments in year		(94,819)	-
Amount introduced by directors		-	3,469
Amount withdrawn by directors		-	(647)
Equity dividends paid		<u>(266,667)</u>	<u>(200,000)</u>
Net cash from financing activities		<u>794,259</u>	<u>(324,985)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of year	2	<u>33,280</u>	<u>41,906</u>
Cash and cash equivalents at end of year	2	<u><u>2,101,606</u></u>	<u><u>33,280</u></u>

The notes form part of these financial statements



Notes to the Consolidated Cash Flow Statement  
for the Year Ended 31 March 2021

## 1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Profit before taxation	233,547	922,790
Depreciation charges	181,988	30,811
Profit on disposal of fixed assets	(4,998)	-
Gain on revaluation of fixed assets	-	(670,000)
Share of (loss)/profit in associate	-	(21,921)
Finance costs	26,249	24,941
Finance income	(7)	-
	<u>436,779</u>	<u>286,621</u>
Increase in stocks	(63,816)	-
Increase in trade and other debtors	(3,419,442)	(9,325)
Increase in trade and other creditors	<u>1,429,133</u>	<u>120,129</u>
<b>Cash generated from operations</b>	<u><b>(1,617,346)</b></u>	<u><b>397,425</b></u>

## 2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

## Year ended 31 March 2021

	31.3.21 £	1.4.20 £
Cash and cash equivalents	<u>2,101,606</u>	<u>33,280</u>

## Year ended 31 March 2020

	31.3.20 £	1.4.19 £
Cash and cash equivalents	<u>33,280</u>	<u>41,906</u>

## 3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.20 £	Cash flow £	At 31.3.21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>33,280</u>	<u>2,068,326</u>	<u>2,101,606</u>
	<u>33,280</u>	<u>2,068,326</u>	<u>2,101,606</u>
<b>Debt</b>			
Finance leases	-	(430,717)	(430,717)
Debts falling due within 1 year	(131,856)	(1,223,788)	(1,355,644)
Debts falling due after 1 year	<u>(609,468)</u>	<u>140,043</u>	<u>(469,425)</u>
	<u>(741,324)</u>	<u>(1,514,462)</u>	<u>(2,255,786)</u>
<b>Total</b>	<u><b>(708,044)</b></u>	<u><b>553,864</b></u>	<u><b>(154,180)</b></u>

The notes form part of these financial statements

**Notes to the Consolidated Financial Statements  
for the Year Ended 31 March 2021**

**1. STATUTORY INFORMATION**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There were no material departures from that standard.

The principal accounting policies adopted in the preparation of the financial statements are set out below and have remained unchanged from the previous year, and also have been consistently applied within the same accounts.

**Significant judgements and estimates**

Preparation of the financial statements requires management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

**Long term contracts** - The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous years. Provision is made for any losses as soon as they are foreseen. Contract work in progress is stated at costs incurred less those transferred to the profit and loss account after deducting foreseeable losses and payments on account not matched with turnover. Amounts recoverable on contracts are included in trade debtors and represent turnover recognised in excess of payments on account.

**Building valuations** - The properties owned by the group were revalued in the year ended 31 March 2020, Directors do not deem the value to have materially changed during the current financial year. Therefore no changes have been made to the carrying value within the financial statements.

**Turnover**

Turnover represents the value of work carried out during the year including amounts not yet invoiced, excluding value added tax.

**Income recognition**

Income is recognised in relation to the stage of completion of work done.

**Goodwill**

Goodwill, being the amount paid in connection with the acquisition of a business in 10, is being amortised evenly over its estimated useful life of nil years.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

2. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold land	- not provided
Improvements to property	- 10% on reducing balance
Plant and machinery	- 25% on reducing balance and 10% on reducing balance
Fixtures and fittings	- 20% on reducing balance and 10% on reducing balance
Motor vehicles	- 25% on reducing balance

In accordance with FRS 102, no depreciation or amortisation is provided in respect of freehold land. Other tangible fixed assets are held at cost less accumulated depreciation and impairment.

The directors consider that this accounting policy results in the accounts giving a true and fair view. Depreciation is only one of many factors reflected in the annual valuation and the amount which might otherwise be shown cannot be separately identified or quantified.

**Government grants**

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks**

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

**Financial instruments**

Basic financial instruments are measured at amortised cost with changes in profit and loss.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 2. ACCOUNTING POLICIES - continued

**Hire purchase and leasing commitments**

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

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

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

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

## 3. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	2,447,234	-
Social security costs	247,740	-
Other pension costs	50,946	-
	<u>2,745,920</u>	<u>-</u>

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

	2021	2020
Employees	4	-
Directors	98	-
	<u>102</u>	<u>-</u>

	2021 £	2020 £
Directors' remuneration	<u>52,357</u>	<u>-</u>

## 4. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	38,333	30,811
Depreciation - assets on hire purchase contracts	63,145	-
Profit on disposal of fixed assets	(4,998)	-
Goodwill amortisation	(8,145)	-
Auditors' remuneration	<u>14,980</u>	<u>-</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest	48	-
Bank loan interest	16,492	24,941
Hire purchase	<u>9,709</u>	<u>-</u>
	<u>26,249</u>	<u>24,941</u>

## 6. TAXATION

## Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2021	2020
	£	£
Current tax:		
UK corporation tax	30,657	48,631
Prior year tax	<u>(92,832)</u>	<u>(9)</u>
Total current tax	(62,175)	48,622
Deferred tax	<u>(45,059)</u>	<u>128,986</u>
Tax on profit	<u>(107,234)</u>	<u>177,608</u>

## Reconciliation of total tax (credit)/charge included in profit and loss

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

	2021	2020
	£	£
Profit before tax	<u>233,547</u>	<u>922,790</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	44,374	175,330
Effects of:		
Expenses not deductible for tax purposes	2,138	2,278
Adjustments to tax charge in respect of previous periods	(92,832)	-
R&D tax relief	<u>(60,914)</u>	<u>-</u>
Total tax (credit)/charge	<u>(107,234)</u>	<u>177,608</u>

## 7. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

## 8. DIVIDENDS

	2021	2020
	£	£
Interim	<u>266,667</u>	<u>200,000</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 9. INTANGIBLE FIXED ASSETS

## Group

	Goodwill £
<b>COST</b>	
Additions	(117,949)
At 31 March 2021	(117,949)
<b>AMORTISATION</b>	
Amortisation for year	(8,145)
At 31 March 2021	(8,145)
<b>NET BOOK VALUE</b>	
At 31 March 2021	(109,804)

## 10. TANGIBLE FIXED ASSETS

## Group

	Freehold land £	Improvements to property £	Plant and machinery £
<b>COST</b>			
At 1 April 2020	-	-	177,584
Additions	67,649	195,429	1,608,490
Disposals	-	-	(13,757)
Reclassification/transfer	2,151,904	-	-
At 31 March 2021	2,219,553	195,429	1,772,317
<b>DEPRECIATION</b>			
At 1 April 2020	-	-	81,500
Charge for year	-	13,833	34,661
Eliminated on disposal	-	-	(7,898)
At 31 March 2021	-	13,833	108,263
<b>NET BOOK VALUE</b>			
At 31 March 2021	2,219,553	181,596	1,664,054
At 31 March 2020	-	-	96,084

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 10. TANGIBLE FIXED ASSETS - continued

## Group

	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>			
At 1 April 2020	182,745	-	360,329
Additions	22,299	172,141	2,066,008
Disposals	-	(19,600)	(33,357)
Reclassification/transfer	-	-	2,151,904
At 31 March 2021	<u>205,044</u>	<u>152,541</u>	<u>4,544,884</u>
<b>DEPRECIATION</b>			
At 1 April 2020	39,833	-	121,333
Charge for year	16,944	36,040	101,478
Eliminated on disposal	-	(16,822)	(24,720)
At 31 March 2021	<u>56,777</u>	<u>19,218</u>	<u>198,091</u>
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>148,267</u>	<u>133,323</u>	<u>4,346,793</u>
At 31 March 2020	<u>142,912</u>	<u>-</u>	<u>238,996</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Totals £
<b>COST</b>			
Additions	<u>813,076</u>	<u>50,965</u>	<u>864,041</u>
At 31 March 2021	<u>813,076</u>	<u>50,965</u>	<u>864,041</u>
<b>DEPRECIATION</b>			
Charge for year	<u>56,074</u>	<u>7,071</u>	<u>63,145</u>
At 31 March 2021	<u>56,074</u>	<u>7,071</u>	<u>63,145</u>
<b>NET BOOK VALUE</b>			
At 31 March 2021	<u>757,002</u>	<u>43,894</u>	<u>800,896</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 10. TANGIBLE FIXED ASSETS - continued

## Company

	Freehold land £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2020	-	177,584	182,745	360,329
Disposals	-	(9,258)	-	(9,258)
Reclassification/transfer	<u>2,151,904</u>	<u>-</u>	<u>-</u>	<u>2,151,904</u>
At 31 March 2021	<u>2,151,904</u>	<u>168,326</u>	<u>182,745</u>	<u>2,502,975</u>
<b>DEPRECIATION</b>				
At 1 April 2020	-	81,500	39,833	121,333
Charge for year	-	12,476	14,291	26,767
Eliminated on disposal	<u>-</u>	<u>(6,515)</u>	<u>-</u>	<u>(6,515)</u>
At 31 March 2021	<u>-</u>	<u>87,461</u>	<u>54,124</u>	<u>141,585</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>2,151,904</u>	<u>80,865</u>	<u>128,621</u>	<u>2,361,390</u>
At 31 March 2020	<u>-</u>	<u>96,084</u>	<u>142,912</u>	<u>238,996</u>

## 11. FIXED ASSET INVESTMENTS

## Group

	Unlisted investments £
<b>COST</b>	
At 1 April 2020	483,945
Disposals	(480,741)
Share of profit/(loss)	<u>(3,204)</u>
At 31 March 2021	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>483,945</u>



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 11. FIXED ASSET INVESTMENTS - continued

## Company

	Unlisted investments £
<b>COST</b>	
At 1 April 2020	200
Additions	<u>4,436,793</u>
At 31 March 2021	<u>4,436,993</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>4,436,993</u>
At 31 March 2020	<u>200</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

## Subsidiaries

**Finley Holdings Ltd**

Registered office: Finley Whinbank Road, Aycliffe Business Park, Newton Aycliffe, England, DL5 6AY

Nature of business: Holding Company

	%
Class of shares:	holding
Ordinary	100.00

**Finley Structures Ltd**

Registered office: Whinbank Road, Aycliffe Ind Est, Newton Aycliffe, Co Durham, DL5 6AY

Nature of business: Design and installation of structural steel work

	%
Class of shares:	holding
Ordinary	100.00

**S.C.H Site Services Ltd**

Registered office: Building 12/G 655, Beaumont Way, Aycliffe Business Park, Newton Aycliffe, England, DL5 6SN

Nature of business: Design and installation of structural steelwork

	%
Class of shares:	holding
Ordinary	100.00

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 12. INVESTMENT PROPERTY

## Group

	Total £
<b>FAIR VALUE</b>	
At 1 April 2020	4,221,799
Reclassification/transfer	<u>(2,151,904)</u>
At 31 March 2021	<u>2,069,895</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>2,069,895</u>
At 31 March 2020	<u>4,221,799</u>

## Company

	Total £
<b>FAIR VALUE</b>	
At 1 April 2020	4,221,799
Reclassification/transfer	<u>(2,151,904)</u>
At 31 March 2021	<u>2,069,895</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>2,069,895</u>
At 31 March 2020	<u>4,221,799</u>

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2013	44,190
Valuation in 2016	199,827
Valuation in 2020	336,423
Cost	<u>1,489,455</u>
	<u>2,069,895</u>

If investment property had not been revalued it would have been included at the following historical cost:

	2021 £	2020 £
Cost	<u>1,489,455</u>	<u>2,331,638</u>

Investment property was valued on an open market basis on 5 November 2019 by Lambert Smith Hampton. The directors have considered this valuation as at 31 March 2021 and do not consider that this is materially different to the fair value at that date.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 13. STOCKS

	Group	
	2021	2020
	£	£
Stocks	<u>63,816</u>	<u>-</u>

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	2,912,666	24,034	13,732	24,034
Other debtors	862,323	122,695	121,297	122,695
Prepayments and accrued income	<u>588,139</u>	<u>11,246</u>	<u>311,845</u>	<u>11,246</u>
	<u>4,363,128</u>	<u>157,975</u>	<u>446,874</u>	<u>157,975</u>

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans and overdrafts (see note 17)	1,355,644	131,856	135,644	131,856
Hire purchase contracts (see note 18)	176,779	-	-	-
Trade creditors	2,031,161	2,273	25,942	2,273
Amounts owed to group undertakings	-	-	1,893,358	-
Taxation and social security	458,947	68,517	73,440	68,517
Other creditors	17,526	1,586,655	-	1,586,655
Accruals and deferred income	<u>567,716</u>	<u>34,493</u>	<u>39,033</u>	<u>34,493</u>
	<u>4,607,773</u>	<u>1,823,794</u>	<u>2,167,417</u>	<u>1,823,794</u>

## 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans (see note 17)	469,425	609,468	469,425	609,468
Hire purchase contracts (see note 18)	253,938	-	-	-
Accruals and deferred income	16,049	-	-	-
Deferred government grants	<u>29,672</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>769,084</u>	<u>609,468</u>	<u>469,425</u>	<u>609,468</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 17. LOANS

An analysis of the maturity of loans is given below:

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Amounts falling due within one year or on demand:				
Bank loans	<u>1,355,644</u>	<u>131,856</u>	<u>135,644</u>	<u>131,856</u>
Amounts falling due between one and two years:				
Bank loans - 1-2 years	<u>117,890</u>	<u>135,520</u>	<u>117,890</u>	<u>135,520</u>
Amounts falling due between two and five years:				
Bank loans - 2-5 years	<u>208,259</u>	<u>278,346</u>	<u>208,259</u>	<u>278,346</u>
Amounts falling due in more than five years:				
Repayable by instalments				
Bank loans more 5 yr by instal	<u>143,276</u>	<u>195,602</u>	<u>143,276</u>	<u>195,602</u>

## 18. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

## Group

	Hire purchase contracts	
	2021 £	2020 £
Net obligations repayable:		
Within one year	176,779	-
Between one and five years	<u>253,938</u>	-
	<u>430,717</u>	-

## 19. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2021 £	2020 £	2021 £	2020 £
Bank loans	1,825,069	-	605,069	741,324
Hire purchase contracts	<u>430,717</u>	-	-	-
	<u>2,255,786</u>	-	<u>605,069</u>	<u>741,324</u>

Hire purchase contracts are secured on the assets which they relate.

Bank loans are secured with a fixed and floating charge over the assets of the business.

A cross guarantee exists between Creditscale Limited, Finley Structures Ltd, Finley Leisure Ltd and S.C.H. Site Services Ltd dated 11 May 2011 in favour of HSBC Bank plc. All these companies are part of the group.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 20. PROVISIONS FOR LIABILITIES

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Deferred tax	<u>556,511</u>	<u>284,781</u>	<u>280,066</u>	<u>284,781</u>
<b>Group</b>				
				Deferred tax
				£
Balance at 1 April 2020				284,781
Accelerated capital allowances				(45,059)
Deferred tax on acquisition				<u>316,789</u>
Balance at 31 March 2021				<u>556,511</u>
<b>Company</b>				
				Deferred tax
				£
Balance at 1 April 2020				284,781
Accelerated Capital Allowance				<u>(4,715)</u>
Balance at 31 March 2021				<u>280,066</u>

## 21. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	2021	2020
			£	£
29,600	Ordinary	£0.01	<u>296</u>	<u>100</u>

During the year 19,600 ordinary shares were issued as part of a share for share exchange.

## 22. RESERVES

<b>Group</b>				
	Retained earnings	Share premium	Revaluation reserve	Totals
	£	£	£	£
At 1 April 2020	917,038	-	1,500,814	2,417,852
Profit for the year	340,781			340,781
Dividends	(266,667)			(266,667)
Share issue	-	<u>4,409,804</u>	-	<u>4,409,804</u>
At 31 March 2021	<u>991,152</u>	<u>4,409,804</u>	<u>1,500,814</u>	<u>6,901,770</u>

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 March 2021

## 22. RESERVES - continued

Company	Retained earnings £	Share premium £	Revaluation reserve £	Totals £
At 1 April 2020	433,293	-	1,500,814	1,934,107
Profit for the year	371,110			371,110
Dividends	(266,667)			(266,667)
Share issue	-	4,409,804	-	4,409,804
At 31 March 2021	<u>537,736</u>	<u>4,409,804</u>	<u>1,500,814</u>	<u>6,448,354</u>

Retained earnings includes all current and prior period profits and losses less any distributions made.

Revaluation reserve includes all current and prior period gains and losses on revaluation of the property including any associated deferred tax.

Share premium represents consideration given on issue of share capital above par value.

## 23. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2021 and 31 March 2020:

	2021 £	2020 £
<b>V Finley</b>		
Balance outstanding at start of year	-	3,469
Amounts repaid	-	(3,469)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>