

COMPANY REGISTRATION NUMBER: 05773317

Earthpole Limited
Financial Statements
31 May 2023



SHIPLEYS LLP
Chartered accountants & statutory auditor
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Godalming
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Earthpole Limited
Financial Statements
Year ended 31 May 2023

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Earthpole Limited

Strategic Report *(continued)*

Year ended 31 May 2023

The directors present their report for the year ended 31st May 2023.

Business Review

The principal activity of the group is the supply and maintenance of unit load devices (ULDs) and pallets for the holds of airliners, and ground support maintenance to the aviation industry.

The group is fully accredited with and approved by CAA, FAA, EASA, and the German LBA.

The turnover increased from the previous year as the group recovered from Covid 19 and the start in June 2022 of a new five year contract with Virgin Atlantic for cabin maintenance. The director and the management team are anticipating that the level of turnover will increase for the next year as the airlines and the group get back to pre-March 2020 levels of flights and volumes, respectively.

On 31 December 2021 the group acquired the shares of our company Airbase GSE GmbH, operating close to Frankfurt airport working with Lufthansa. On 23 January 2024 we acquired its competitor Ground Handling Solutions GmbH, Frankfurt, as the managing owner wanted to retire.

Key financial performance indicators (KPI's)

The key financial performance indicators of the Group are turnover and profit before tax which are summarised below:

	2023	2022
	£	£
Turnover	13,574,633	7,548,790
Profit before tax	2,595,894	1,727,488

Key non-financial performance indicators (KPI's)

Health, safety and environmental management

The health and safety of all stakeholders is the group's number one priority. In order to control risk and prevent harm, the group is focused on demonstrating the highest standards of health and safety management. This is achieved by establishing robust health and safety procedures and ensuring that effective leadership, culture and organisational arrangements are in place. The group monitors significant health concerns, maintaining contingency plans to manage its operations and respond proportionately to any emerging risks, whilst always ensuring the health of all its stakeholders with whom it interfaces

Going concern

The directors have undertaken an assessment of whether the Group was a going concern when the accounts were prepared, considering all available information about the future, covering a period of 12 months from the date of approval of the accounts.

The directors are not aware of any material uncertainty arising from their assessment that would cast doubt on the Group's ability to continue as a going concern.

Future developments

The group will continue to develop its business in line with current activities.

Earthpole Limited
Strategic Report *(continued)*
Year ended 31 May 2023

Principal risks and uncertainties

The aviation industry is a volatile industry susceptible to changes in the global economy, as well as changes in legislation, regulation and government policy which may affect the industry.

Liquidity risks

The group's view is that any exposure to liquidity risk is low. The cash flow and working capital requirement of the business are strictly monitored by the management team on a regular basis.

Credit risks

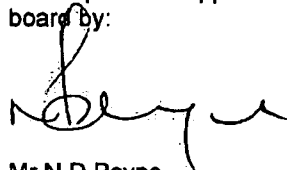
The group's credit risk is primarily attributable to its trade receivable with key customers.

The financial reliability of customers is assessed periodically. These predominantly being blue chip airlines, are considered to be low risk.

Interest rate risks

The group is exposed to interest rate risk is that it has a CBILS loan with interest rate at 3.05% above base rate. The exposure to interest rate risk is monitored on an ongoing basis by management.

This report was approved by the board of directors on 20/03/24 and signed on behalf of the board by:



Mr N D Payne
Director

Registered office:
Unit 2 Heathrow Logistics Park
Bedfont Road
Feltham
United Kingdom
TW14 8EE

Earthpole Limited
Director's Report
Year ended 31 May 2023

The director presents his report and the financial statements of the group for the year ended 31 May 2023.

Director

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

Mr N D Payne

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 33 to the financial statements.

Disclosure of information in the strategic report

A separate strategic report has been prepared which includes information regarding the future developments, principal risks and uncertainties and information which would have been included in the business review.

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 group and the company and the profit or loss of the group 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.

Earthpole Limited

Director's Report *(continued)*

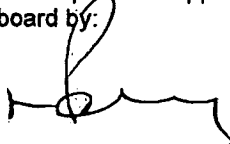
Year ended 31 May 2023

Auditor

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

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

This report was approved by the board of directors on 20/03/24 and signed on behalf of the board by:



Mr N D Payne
Director

Registered office:
Unit 2 Heathrow Logistics Park
Bedfont Road
Feltham
United Kingdom
TW14 8EE

Earthpole Limited

Independent Auditor's Report to the Members of Earthpole Limited

Year ended 31 May 2023

Qualified opinion

We have audited the financial statements of Earthpole Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2023 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 May 2023 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

We were not appointed as auditor of the Company until after 31 May 2023 and thus did not observe the counting of physical inventories at the end of the year. We were unable to satisfy ourselves by alternative means concerning the inventories quantities held at 31 May 2023, which were included in the balance sheet at £1,230,297, by using other audit procedures. Consequently we are unable to determine whether any adjustment to this amount was necessary. In addition, were any adjustment to the inventory balance to be required, the Strategic report would also need to be amended.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Independence

We remain independent of the Group and the Parent 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.

Earthpole Limited

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

Year ended 31 May 2023

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 group's or 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 director 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 included in the Annual Report, other than the financial statements and our auditor's report 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the inventory quantities of £1,230,297 held at 31 May 2023. We have concluded that where the other information refers to the inventory balance or related balances such as cost of sales or profit, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

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

Earthpole Limited

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

Year ended 31 May 2023

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified section of our report, in the light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Arising solely from the limitation on the scope of our work relating to inventory, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept

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, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made.

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 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 director either intends to liquidate the group or the parent company or to cease operations, or has no realistic alternative but to do so.

Earthpole Limited

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

Year ended 31 May 2023

Auditor's responsibilities for the audit of the financial statements

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

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 obtained an understanding of the Group and Parent Company's business, controls, legal and regulatory frameworks, laws and regulations and assessed the susceptibility of the Group and Parent Company's financial statements to material misstatement from irregularities, including fraud and instances of non-compliance with laws and regulations.
- Based on this understanding we designed our audit procedures to detecting irregularities, including fraud. Testing undertaken included making enquiries on the management; journal entry testing; review of bank statements, board minutes and any correspondence received from regulatory bodies; reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations. These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- We addressed the risk of fraud through management override of controls, by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

An auditor conducting an audit in accordance with ISAs (UK) is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error and in our audit procedures described above. Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting
-

Earthpole Limited

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

Year ended 31 May 2023

estimates and related disclosures made by the director.

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

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

Use of our report

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

Other information

The comparative figures for FY 31 May 2022 are unaudited.

Peter Conneely

Peter Conneely (Senior Statutory Auditor)

For and on behalf of
Shipleys LLP
Chartered accountants & statutory auditor
5 Godalming Business Centre
Woolsack Way
Godalming
Surrey
GU7 1XW
25 March 2024

Earthpole Limited
Consolidated Statement of Comprehensive Income
Year ended 31 May 2023

		2023	2022 <i>Un-audited</i>
	Note	£	£
Turnover	4	13,574,633	7,548,790
Cost of sales		7,847,764	3,298,583
Gross profit		5,726,869	4,250,207
Administrative expenses		3,095,994	2,506,937
Other operating income	5	—	6,563
Operating profit	6	2,630,875	1,749,833
Other interest receivable and similar income	10	15,761	746
Amounts written back to investments		—	(20,662)
Interest payable and similar expenses	11	50,742	43,753
Profit before taxation		2,595,894	1,727,488
Tax on profit	12	562,808	308,975
Profit for the financial year		2,033,086	1,418,513
Foreign currency retranslation		(3,507)	1,865
Total comprehensive income for the year		2,029,579	1,420,378

All the activities of the group are from continuing operations.

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Consolidated Statement of Financial Position
31 May 2023

		2023	2022 <i>Un-audited (restated)</i>
	Note	£	£
Fixed assets			
Intangible assets	14	257,453	318,076
Tangible assets	15	215,187	266,534
		<u>472,640</u>	<u>584,610</u>
Current assets			
Stocks	17	1,230,297	188,930
Debtors	18	4,533,608	2,614,789
Cash at bank and in hand		2,200,399	2,831,601
		<u>7,964,304</u>	<u>5,635,320</u>
Creditors: amounts falling due within one year	19	2,706,207	2,015,548
Net current assets		<u>5,258,097</u>	<u>3,619,772</u>
Total assets less current liabilities		<u>5,730,737</u>	<u>4,204,382</u>
Creditors: amounts falling due after more than one year	20	340,000	597,754
Provisions	22	44,265	39,735
Net assets		<u>5,346,472</u>	<u>3,566,893</u>
Capital and reserves			
Called up share capital	28	1	1
Foreign currency retranslation	29	(1,642)	1,865
Profit and loss account	29	5,348,113	3,565,027
Shareholders funds		<u>5,346,472</u>	<u>3,566,893</u>

These financial statements were approved by the board of directors and authorised for issue on 20/03/24, and are signed on behalf of the board by:


Mr N D Payne
Director

Company registration number: 05773317

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Company Statement of Financial Position
31 May 2023

		2023	2022 <i>Un-audited (restated)</i>
	Note	£	£
Fixed assets			
Tangible assets	15	191,441	217,157
Investments	16	411,637	411,637
		<u>603,078</u>	<u>628,794</u>
Current assets			
Stocks	17	1,078,485	90,113
Debtors	18	4,393,643	2,593,814
Cash at bank and in hand		2,081,446	2,786,782
		<u>7,553,574</u>	<u>5,470,709</u>
Creditors: amounts falling due within one year	19	2,538,346	1,984,225
Net current assets		<u>5,015,228</u>	<u>3,486,484</u>
Total assets less current liabilities		5,618,306	4,115,278
Creditors: amounts falling due after more than one year	20	340,000	510,000
Provisions	22	44,265	39,735
Net assets		<u>5,234,041</u>	<u>3,565,543</u>
Capital and reserves			
Called up share capital	28	1	1
Profit and loss account	29	5,234,040	3,565,542
Shareholders funds		<u>5,234,041</u>	<u>3,565,543</u>

The profit for the financial year of the parent company was £1,918,498 (2022: £1,565,883).

These financial statements were approved by the board of directors and authorised for issue on 20/07/24, and are signed on behalf of the board by:



Mr N D Payne
Director

Company registration number: 05773317

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Consolidated Statement of Changes in Equity
Year ended 31 May 2023

		Called up share capital £	Foreign currency retranslation £	Profit and loss account £	Total £
At 1 June 2021		1	–	2,148,514	2,148,515
Profit for the year				1,418,513	1,418,513
Other comprehensive income for the year:					
Foreign currency retranslation		–	1,865	–	1,865
Total comprehensive income for the year		–	1,865	1,418,513	1,420,378
Dividends paid and payable	13	–	–	(2,000)	(2,000)
Total investments by and distributions to owners		–	–	(2,000)	(2,000)
At 31 May 2022		1	1,865	3,565,027	3,566,893
Profit for the year				2,033,086	2,033,086
Other comprehensive income for the year:					
Foreign currency retranslation		–	(3,507)	–	(3,507)
Total comprehensive income for the year		–	(3,507)	2,033,086	2,029,579
Dividends paid and payable	13	–	–	(250,000)	(250,000)
Total investments by and distributions to owners		–	–	(250,000)	(250,000)
At 31 May 2023		1	(1,642)	5,348,113	5,346,472

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Company Statement of Changes in Equity

Year ended 31 May 2023

		Called up share capital £	Profit and loss account £	Total £
At 1 June 2021		1	2,001,659	2,001,660
Profit for the year			1,565,883	1,565,883
Total comprehensive income for the year		—	1,565,883	1,565,883
Dividends paid and payable	13	—	(2,000)	(2,000)
Total investments by and distributions to owners		—	(2,000)	(2,000)
At 31 May 2022		1	3,565,542	3,565,543
Profit for the year			1,918,498	1,918,498
Total comprehensive income for the year		—	1,918,498	1,918,498
Dividends paid and payable	13	—	(250,000)	(250,000)
Total investments by and distributions to owners		—	(250,000)	(250,000)
At 31 May 2023		1	5,234,040	5,234,041

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Consolidated Statement of Cash Flows
Year ended 31 May 2023

	2023	2022
	£	Un-audited £
Cash flows from operating activities		
Profit for the financial year	2,033,086	1,418,513
<i>Adjustments for:</i>		
Depreciation of tangible assets	111,025	132,069
Amortisation of intangible assets	61,053	25,438
Government grant income	—	(6,563)
Other interest receivable and similar income	(15,761)	(746)
Interest payable and similar expenses	50,742	43,753
Loss on disposal of tangible assets	—	28,903
Tax on profit	562,808	308,975
Accrued income	(57,100)	(365,156)
Foreign exchange movement on intangible assets	(430)	(432)
Foreign exchange movement on tangible assets	(672)	(677)
Unrealised foreign currency gain/loss	(3,506)	1,865
<i>Changes in:</i>		
Stocks	(1,041,367)	(115,632)
Trade and other debtors	(1,918,819)	(440,786)
Trade and other creditors	668,259	(1,010,114)
Cash generated from operations	449,318	19,410
Interest paid	(50,742)	(43,753)
Interest received	15,761	746
Tax paid	(365,587)	(238,220)
Net cash from/(used in) operating activities	<u>48,750</u>	<u>(261,817)</u>
Cash flows from investing activities		
Purchase of tangible assets	(59,083)	(17,353)
Proceeds from sale of tangible assets	76	8,752
Purchase of intangible assets	—	(305,259)
Net cash used in investing activities	<u>(59,007)</u>	<u>(313,860)</u>
Cash flows from financing activities		
Proceeds from borrowings	(330,189)	619,098
Government grant income	—	6,563
Payments of finance lease liabilities	(40,756)	(29,005)
Dividends paid	(250,000)	(2,000)
Net cash (used in)/from financing activities	<u>(620,945)</u>	<u>594,656</u>

The consolidated statement of cash flows
continues on the following page.

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Consolidated Statement of Cash Flows *(continued)*
Year ended 31 May 2023

	2023	2022
Note	£	<i>Un-audited</i> £
Net (decrease)/increase in cash and cash equivalents	(631,202)	18,979
Cash and cash equivalents at beginning of year	2,831,601	2,812,622
Cash and cash equivalents at end of year	<u>2,200,399</u>	<u>2,831,601</u>

The notes on pages 17 to 32 form part of these financial statements.

Earthpole Limited
Notes to the Financial Statements
Year ended 31 May 2023

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Unit 2 Heathrow Logistics Park, Bedfont Road, Feltham, TW14 8EE, England.

The principal activity of the group is the supply and maintenance of unit load devices (ULDs) and pallets for the holds of airliners, and ground support maintenance to the aviation industry.

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 measured at fair value through profit or loss.

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

Going concern

Having made appropriate enquiries and having reviewed the group and company forecasts and projections, the directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future (at least 12 months from the date the accounts are signed and approved). The group and company therefore continue to adopt the going concern basis in preparing the financial statements.

Disclosure exemptions

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

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) No disclosure has been given for the aggregate remuneration of key management personnel.

Consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over its useful economic life. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively.

As a consolidated profit and loss account is published, a separate profit and loss account the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

The parent company has taken advantage of s479A Companies Act 2006, audit exemption in respect of Modulus (UK) Limited.

Earthpole Limited
Notes to the Financial Statements *(continued)*
Year ended 31 May 2023

3. Accounting policies *(continued)*

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.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome.

The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Allowance for doubtful debts

The company maintains allowances for doubtful accounts for estimated losses resulting from the subsequent inability of customers to make required payments. If the financial conditions of customers were to deteriorate, resulting in an impairment of their ability to make payments, then additional allowances may be required in future periods.

Revenue income

Revenue income includes work carried out but not yet invoiced. This involves the use of judgement by management as to the value of work done. The carrying value at the year end is £161,748 (2022: £66,354).

Impairment of assets

Non-current assets are reviewed for impairment if an event or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset or cash generating unit is determined based on value-in-use calculations prepared on the basis of management's assumptions and estimates. The carrying value of non-current assets at the year end is £472,640 (2022: £584,610). No impairments have been recognised during the year.

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.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

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.

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.

Foreign currencies

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

Operating leases

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.

Goodwill

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

Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. It is amortised on a straight-line basis over its useful life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed ten years.

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Amortisation

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

Goodwill	-	20% straight line
Patents, trademarks and licences		Over the term of the licence

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

Tangible assets

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

Depreciation

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

Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line
Equipment	-	25% straight line

Investments

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

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

The Group as a lessee

Assets held under finance leases 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.

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.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

3. Accounting policies *(continued)*

Financial instruments

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

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

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.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

4. Turnover

Turnover arises from:

	2023	2022 <i>Un-audited</i>
	£	£
Sale of goods	760,600	11,199
Rendering of services	12,814,033	7,537,591
	<u>13,574,633</u>	<u>7,548,790</u>

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

5. Other operating income

	2023	2022 <i>Un-audited</i>
	£	£
Government grant income	<u>—</u>	<u>6,563</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2023	2022 <i>Un-audited</i>
	£	£
Amortisation of intangible assets	61,053	25,438
Depreciation of tangible assets	111,025	132,069
Loss on disposal of tangible assets	—	28,903
Impairment of trade debtors	7,801	12,333
Operating lease rentals	—	943
Foreign exchange differences	(8,119)	(15,700)
Operating lease rentals - property	<u>1,175,000</u>	<u>1,175,000</u>

7. Auditor's remuneration

	2023	2022 <i>Un-audited</i>
	£	£
Fees payable for the audit of the financial statements	<u>20,500</u>	<u>—</u>
Fees payable to the company's auditor and its associates for other services:		
Other non-audit services	<u>5,291</u>	<u>15,051</u>

Earthpole Limited
Notes to the Financial Statements (continued)

Year ended 31 May 2023

8. Staff costs

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

	2023	2022
	No.	No.
Administrative staff	17	10
Service staff	105	47
	<u>122</u>	<u>57</u>

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

	2023	2022
	£	Un-audited £
Wages and salaries	4,637,196	2,085,726
Social security costs	518,565	227,128
Other pension costs	69,233	41,126
	<u>5,224,994</u>	<u>2,353,980</u>

9. Director's remuneration

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

	2023	2022
	£	Un-audited £
Remuneration	<u>57,908</u>	<u>5,052</u>

The number of directors accruing benefits under company pension scheme is nil (2022:nil).

10. Other interest receivable and similar income

	2023	2022
	£	Un-audited £
Interest on cash and cash equivalents	<u>15,761</u>	<u>746</u>

11. Interest payable and similar expenses

	2023	2022
	£	Un-audited £
Interest on banks loans and overdrafts	35,392	30,599
Interest on obligations under finance leases and hire purchase contracts	6,576	9,079
Other interest payable and similar charges	8,774	4,075
	<u>50,742</u>	<u>43,753</u>

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

12. Tax on profit

Major components of tax expense

	2023	2022 <i>Un-audited</i>
	£	£
Current tax:		
UK current tax expense	558,278	336,799
Deferred tax:		
Origination and reversal of timing differences	4,530	(27,824)
Tax on profit	<u>562,808</u>	<u>308,975</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 20% (2022: 19%).

	2023	2022 <i>Un-audited</i>
	£	£
Profit on ordinary activities before taxation	2,595,894	1,727,488
Profit on ordinary activities by rate of tax	519,178	328,224
Adjustment to tax charge in respect of prior periods	(2,671)	–
Effect of expenses not deductible for tax purposes	14,666	(3,357)
Effect of capital allowances and depreciation	4,515	14,390
Utilisation of tax losses	(1,891)	(2,458)
Effect of different tax rates on some earnings	24,481	–
Deferred tax movement	4,530	(27,824)
Tax on profit	<u>562,808</u>	<u>308,975</u>

13. Dividends

	2023	2022 <i>Un-audited</i>
	£	£
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>250,000</u>	<u>2,000</u>

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

14. Intangible assets

Group	Goodwill £	Patents, trademarks and licences £	Total £
Cost			
At 1 June 2022	305,259	38,255	343,514
Foreign currency movements	—	430	430
At 31 May 2023	305,259	38,685	343,944
Amortisation			
At 1 June 2022	25,438	—	25,438
Charge for the year	61,053	—	61,053
At 31 May 2023	86,491	—	86,491
Carrying amount			
At 31 May 2023	218,768	38,685	257,453
At 31 May 2022	279,821	38,255	318,076

The company has no intangible assets.

15. Tangible assets

Group	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 June 2022	477,974	195,615	144,584	818,173
Additions	40,248	7,646	11,189	59,083
Disposals	—	(100)	—	(100)
Foreign currency movements	671	—	—	671
At 31 May 2023	518,893	203,161	155,773	877,827
Depreciation				
At 1 June 2022	310,708	136,193	104,738	551,639
Charge for the year	69,550	19,200	22,275	111,025
Disposals	—	—	(24)	(24)
At 31 May 2023	380,258	155,393	126,989	662,640
Carrying amount				
At 31 May 2023	138,635	47,768	28,784	215,187
At 31 May 2022	167,266	59,422	39,846	266,534

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

15. Tangible assets *(continued)*

Company	Plant and machinery £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 June 2022	418,132	195,615	144,584	758,331
Additions	40,248	7,646	11,189	59,083
Disposals	—	(100)	—	(100)
At 31 May 2023	458,380	203,161	155,773	817,314
Depreciation				
At 1 June 2022	300,243	136,193	104,738	541,174
Charge for the year	43,248	19,200	22,275	84,723
Disposals	—	—	(24)	(24)
At 31 May 2023	343,491	155,393	126,989	625,873
Carrying amount				
At 31 May 2023	114,889	47,768	28,784	191,441
At 31 May 2022	117,889	59,422	39,846	217,157

16. Investments

The group has no investments.

Company	Other investments other than loans £
Cost	
At 1 June 2022 as restated and 31 May 2023	411,637
Impairment	
At 1 June 2022 as restated and 31 May 2023	—
Carrying amount	
At 1 June 2022 and 31 May 2023	411,637
At 31 May 2022	411,637

Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

	Class of share	Percentage of shares held
Subsidiary undertakings		
Airbase GSE GmbH	Ordinary	100
Modulus (UK) Limited	Ordinary	100
Pop Air Limited	Ordinary	100

Earthpole Limited

Notes to the Financial Statements (continued)

Year ended 31 May 2023

17. Stocks

	Group		Company	
	2023	2022	2023	2022
	£	Un-audited £	£	Un-audited £
Raw materials and consumables	<u>1,230,297</u>	<u>188,930</u>	<u>1,078,485</u>	<u>90,113</u>

18. Debtors

	Group		Company	
	2023	2022	2023	2022
	£	Un-audited £	£	Un-audited £
Trade debtors	2,390,135	895,145	2,250,170	840,663
Amounts owed by group undertakings	—	—	—	40,705
Prepayments and accrued income	1,429,803	1,217,088	1,429,803	1,217,088
Director's loan account	268,275	90,196	268,275	90,196
Other debtors	<u>445,395</u>	<u>412,360</u>	<u>445,395</u>	<u>405,162</u>
	<u>4,533,608</u>	<u>2,614,789</u>	<u>4,393,643</u>	<u>2,593,814</u>

19. Creditors: amounts falling due within one year

	Group		Company	
	2023	2022	2023	2022
	£	Un-audited (restated) £	£	Un-audited (restated) £
Bank loans and overdrafts	257,754	330,189	181,630	170,000
Trade creditors	1,460,625	1,044,865	1,449,090	1,006,842
Amounts owed to group undertakings	—	—	72,470	197,429
Accruals and deferred income	83,072	140,172	33,002	118,858
Corporation tax	581,051	388,360	509,910	388,360
Social security and other taxes	298,204	53,891	273,265	53,891
Obligations under finance leases and hire purchase contracts	—	40,756	—	40,756
Other creditors	<u>25,501</u>	<u>17,315</u>	<u>18,979</u>	<u>8,089</u>
	<u>2,706,207</u>	<u>2,015,548</u>	<u>2,538,346</u>	<u>1,984,225</u>

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

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

	Group		Company	
	2023	2022	2023	2022
		<i>Un-audited</i>		<i>Un-audited</i>
	£	£	£	£
Bank loans and overdrafts	<u>340,000</u>	<u>597,754</u>	<u>340,000</u>	<u>510,000</u>

21. Finance leases and hire purchase contracts

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

	Group		Company	
	2023	2022	2023	2022
		<i>Un-audited</i>		<i>Un-audited</i>
	£	£	£	£
Not later than 1 year	<u>—</u>	<u>40,756</u>	<u>—</u>	<u>40,756</u>

22. Provisions

Group and company	Deferred tax (note 23) £
At 1 June 2022 (as restated)	39,735
Charge against provision	<u>4,530</u>
At 31 May 2023	<u>44,265</u>

23. Deferred tax

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

	Group		Company	
	2023	2022	2023	2022
		<i>Un-audited</i>		<i>Un-audited</i>
	£	£	£	£
Included in provisions (note 22)	<u>44,265</u>	<u>39,735</u>	<u>44,265</u>	<u>39,735</u>

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

	Group		Company	
	2023	2022	2023	2022
		<i>Un-audited</i>		<i>Un-audited</i>
	£	£	£	£
Accelerated capital allowances	45,953	39,735	45,953	39,735
Pension plan obligations	(1,688)	—	(1,688)	—
	<u>44,265</u>	<u>39,735</u>	<u>44,265</u>	<u>39,735</u>

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

24. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £69,233 (2022: £41,126).

25. Government grants

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

	Group		Company	
	2023	2022	2023	2022
		<i>Un-audited</i>		<i>Un-audited</i>
	£	£	£	£
Recognised in other operating income:				
Government grants released to profit or loss	<u>—</u>	<u>6,563</u>	<u>—</u>	<u>6,563</u>

26. Financial instruments

The carrying amount for each category of financial instrument is as follows:

Financial assets that are debt instruments measured at amortised cost

	Group	
	2023	2022
		<i>Un-audited</i>
	£	£
Financial assets that are debt instruments measured at amortised cost	<u>3,175,010</u>	<u>1,433,614</u>

Financial liabilities measured at amortised cost

	Group	
	2023	2022
		<i>Un-audited</i>
	£	£
Financial liabilities measured at amortised cost	<u>2,166,951</u>	<u>2,171,051</u>

27. Prior period adjustments

A prior period adjustment has been made to recognise deferred acquisition costs on the investment in Airbase GSE GmbH being legal fees. The impact of this on FY2022 balance sheet is an increase of £83,358 in the carrying value of investments and an increase of accruals for the same amount. There was no impact on the profit and loss for FY2022.

A prior period adjustment has been made in the Parent Company to impair the investment in the subsidiary Pop Air Limited being legal fees for the unit 2 lease. The amount has been written off in FY2019 at the point of investment. The impact on the balance sheet for FY2022 is a decrease of £185,862 in the carrying value of investments and a decrease in the profit & loss account brought forward for the same amount. There was no impact on the profit and loss for FY2022.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

28. Called up share capital

Issued, called up and fully paid

	2023		2022 <i>Un-audited</i>	
	No.	£	No.	£
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

29. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Foreign currency translation - This reserve records foreign exchange movement arising on the retranslation of foreign subsidiaries to the functional currency of the company.

30. Charges

On 22 July 2009, National Westminster Bank plc issued a debenture charge over all assets of the company.

31. Analysis of changes in net debt

	At 1 Jun 2022	Cash flows	At 31 May 2023
	£	£	£
Cash at bank and in hand	2,831,601	(631,202)	2,200,399
Debt due within one year	(370,945)	113,191	(257,754)
Debt due after one year	(597,754)	257,754	(340,000)
	<u>1,862,902</u>	<u>(260,257)</u>	<u>1,602,645</u>

32. Operating leases

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

	Group		Company	
	2023	2022 <i>Un-audited</i>	2023	2022 <i>Un-audited</i>
	£	£	£	£
Not later than 1 year	2,350,000	1,175,000	2,350,000	1,175,000
Later than 1 year and not later than 5 years	<u>1,370,834</u>	<u>1,860,417</u>	<u>1,370,834</u>	<u>1,860,417</u>
	<u>3,720,834</u>	<u>3,035,417</u>	<u>3,720,834</u>	<u>3,035,417</u>

33. Events after the end of the reporting period

On 23 January 2024 the company acquired Ground Handling Solutions GmbH, based in Frankfurt.

Earthpole Limited

Notes to the Financial Statements *(continued)*

Year ended 31 May 2023

34. Director's advances, credits and guarantees

During the year a total of £176,080 was advanced to the director. At the year end Mr N D Payne owed the company £268,275.

35. Related party transactions

Company

The company was under the control of Mr N D Payne throughout the current and previous year. Mr N D Payne is the managing director and 100% shareholder. During the year the company paid £250,000 (2022: £2,000) dividends to Mr N D Payne.

Total remuneration to the director (and key management), Mr N D Payne amounted to £57,908 (2022: £5,052).

During the year the following transactions took place between the company and entities under common control.

	2023	2022
	£	£
Sales from entities under common control	16,750	–
Purchases from entities under common control	55,477	43,504
Amount due from/(to) entities under common control	354,854	286,271

The company has taken advantage of the disclosure exemption available under Financial Reporting Standard 102 in respect of transactions with other wholly owned undertakings within the group.