

Company Registration No. 06517986 (England and Wales)

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2020

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

COMPANY INFORMATION

Directors	N J Snelson E J Snelson K M Naylor J Holmes
Company number	06517986
Registered office	Chetham House Bird Hall Lane Cheadle Heath Cheadle Cheshire SK3 0ZP
Auditor	Azets Audit Services Alpha House 4 Greek Street Stockport Cheshire SK3 8AB

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

CONTENTS

	Page
Strategic report	1 - 3
Directors' report	4
Directors' responsibilities statement	5
Independent auditor's report	6 - 8
Profit and loss account	9
Group statement of comprehensive income	10
Group balance sheet	11 - 12
Company balance sheet	13
Group statement of changes in equity	14
Company statement of changes in equity	15
Group statement of cash flows	16
Company statement of cash flows	17
Notes to the financial statements	18 - 36

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

STRATEGIC REPORT

FOR THE YEAR ENDED 31 JANUARY 2020

"APS Group is an international marketing services business providing integrated communications and Customer experience programs to local and global brands. APS Group provides contracted services to a range of Customers across a board spectrum of business sectors. It has specifically targeted propositions for the financial services, retail, charity, automotive and public sectors. APS Group provides targeted solutions to Customers at a local and regional level, aggregated at a national level and for International Customers a Global solutions capability.

The Customer solutions APS delivers are underpinned by a board range of services supported by great people, enabling technology and significant infrastructure. The core service offering includes strategy, content creation and content management, multi-channel output management and associated logistics. The company is differentiated in the marketplace by its ability to integrate services and solutions which reduce complexity, deliver efficiencies, improve speed and maximise return for our Customers."

Section 172 Statement

The directors of the group must act in accordance with a general set of duties. These duties are detailed in the UK Companies Act and include a duty to promote the success of the company which is summarised below.

Performance

In 2019 APS Group has continued to develop its core marketing services capability and has gained and also "on boarded" a number of significant new Customers and contracts. Furthermore, APS continued to invest in the Groups infrastructure in both expertise, software capability and production capacity to enhance the knowhow platform to allow for the next phase of anticipated growth.

Turnover has increased by 3.6% to £167m from £160m in the year to January 2020. The full year impact of the significant contract wins during 2018 was realised as expected in 2019. Existing core business Gross Profit percentage remained consistent with the prior year although the overall Gross profit percentage increased from 27.2% to 28.7% as a result of efficiencies and new business wins.

The Group EBITDA has moved to £11.1m in the year to January 2020 from an adjusted EBITDA of £8.3m in the year to January 2019.

As a result of strong trading APS Group has considerably strengthened its balance sheet position in the year with net assets increasing from £20.7m to £22.5m and continues to benefit from low levels of debt, with a strong financial base. The cash balance has increased by 123% to £16.4m to January 2020 from £14.6m to January 2019.

In the year, numbers of employees reduced during the year from 906 to 888 as a result of certain IT investments completing.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

Risk

The APS Group has continued to grow organically with considerable momentum over the last year. Careful consideration has been taken to ensure that the business manages and controls the growth to ensure the Customer experience continues to the high standards and quality expected. Further investment has been made in our innovation's solution, support function and project solutions team. These investments continue to increase our ability to nurture and grow our existing Customer business as evidenced by another year of Customer retention and service line development.

At the time of approving the financial statements the full impact of the corona virus pandemic on the UK and global economy is uncertain and the effect this may have on the company, its customers and suppliers is not fully known.

The directors have closely monitored the impact on the business to date and taken necessary mitigating action as necessary, including government support through the job retention scheme.

The future potential risks and uncertainties arising from the pandemic have been reflected in forecasts of profit and loss and cashflow which demonstrate a robust business and commitment to continue to invest in the infrastructure of the business to ensure future efficiencies.

Based on their review of the current and future trading and funding position the directors have concluded that the company will continue to be a going concern.

Looking Forward

The advent of increasing technology giving consumer's wider access to content with both choice and preference of communication, has increased the complexity required to manage solutions for Customers and resulted in considerable market consolidation. In response to the Customer's requirements for comprehensive, cost effective co-ordinated planning and delivery deployed globally, APS has enhanced its expertise and capabilities. During 2019 APS embarked upon an ambitious plan to create a distinctive and highly effective operational delivery infrastructure to cater for the 21st Century needs of the local, national and international Customers wishing to "reach" their Customers in local, national and international markets.

2019 has demonstrated continuous growth and successfully on-board new contracts, whilst at the same time significantly improved operational performance driving efficiency, resilience and a greater level of maturity across its service lines.

Increased revenues have enabled the Group to recruit new talent, to continue to expand its technology proposition and to leverage its position across its supply chains. As a result, the pipeline for new business is stronger than ever with potential multinational clients inviting APS Group to engage in advance of their procurement processes.

Momentum generated by the "One Group" initiative has led to a sharing of knowledge and best practice leading to further integration enabling the Group to expand its service lines with existing clients with a particular focus on agency services.

Having successfully retained and expanded a number of important client contracts the Group continues to invest in its market leading retention strategy and the solid track record of building the business through organic client wins continues. However this build capability will be supplemented with a buy strategy to enable the Group to expand a number of its existing service lines, to further develop its technologies and to continue to expand its reach across the geographies it operates in.

The Group approaches 2021 with confidence.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

On behalf of the board

N J Snelson

Director

9 October 2020

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 JANUARY 2020

The directors present their annual report and financial statements for the year ended 31 January 2020.

Directors

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

N J Snelson
E J Snelson
K M Naylor
J Holmes

Results and dividends

The results for the year are set out on page 9.

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

Disabled persons

The company's policy is to recruit disabled workers for those vacancies that they are able to fill. Arrangements are made, wherever possible, for retraining employees who become disabled.

Employee involvement

The company's policy is to consult and discuss with employees matters likely to affect employee's interests.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services (formerly trading as Booth Ainsworth Audit Services) be reappointed as auditor of the group will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

N J Snelson
Director

9 October 2020

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 JANUARY 2020

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

Opinion

We have audited the financial statements of APS Group Global Limited (formerly APS Group Ltd) (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2020 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2020 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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 directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

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.

Don Bancroft (Senior Statutory Auditor)
for and on behalf of Azets Audit Services
Chartered Accountants
Statutory Auditor

9 October 2020

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JANUARY 2020

	Notes	2020 £	2019 £
Turnover	3	166,790,331	160,908,485
Cost of sales		(118,884,994)	(117,022,481)
Gross profit		47,905,337	43,886,004
Administrative expenses		(42,262,993)	(38,527,523)
Operating profit	4	5,642,344	5,358,481
Interest receivable and similar income	8	2,103	138
Interest payable and similar expenses	9	(144,955)	(325,031)
Profit before taxation		5,499,492	5,033,588
Tax on profit	10	(1,967,744)	(1,397,075)
Profit for the financial year		3,531,748	3,636,513
Profit for the financial year is attributable to:			
- Owners of the parent company		3,449,609	3,629,460
- Non-controlling interests		82,139	7,053
		3,531,748	3,636,513

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 JANUARY 2020

	2020 £	2019 £
Profit for the year	3,531,748	3,636,513
Other comprehensive income		
Currency translation differences	(2,573)	(6,226)
Total comprehensive income for the year	<u>3,529,175</u>	<u>3,630,287</u>
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	3,447,036	3,623,234
- Non-controlling interests	<u>82,139</u>	<u>7,053</u>
	<u>3,529,175</u>	<u>3,630,287</u>

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP BALANCE SHEET

AS AT 31 JANUARY 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Goodwill	11	518,367		717,078	
Other intangible assets	11	549,252		-	
Total intangible assets		1,067,619		717,078	
Tangible assets	12	11,294,551		17,989,115	
		12,362,170		18,706,193	
Current assets					
Stocks	15	3,705,120		1,927,408	
Debtors	16	32,424,381		34,206,924	
Cash at bank and in hand		16,428,041		14,631,421	
		52,557,542		50,765,753	
Creditors: amounts falling due within one year	17	(40,191,429)		(44,936,066)	
Net current assets		12,366,113		5,829,687	
Total assets less current liabilities		24,728,283		24,535,880	
Creditors: amounts falling due after more than one year	18	(2,479,511)		(3,557,343)	
Provisions for liabilities	21	198,726		(300,800)	
Net assets		22,447,498		20,677,737	
Capital and reserves					
Called up share capital	23	11,718		11,212	
Share premium account		6,884,494		6,656,667	
Profit and loss reserves		15,456,256		13,996,967	
Equity attributable to owners of the parent company		22,352,468		20,664,846	
Non-controlling interests		95,030		12,891	
		22,447,498		20,677,737	

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 JANUARY 2020

The financial statements were approved by the board of directors and authorised for issue on 9 October 2020 and are signed on its behalf by:

N J Snelson
Director

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

COMPANY BALANCE SHEET

AS AT 31 JANUARY 2020

		2020		2019	
	Notes	£	£	£	£
Fixed assets					
Investments	13		13,740,130		13,740,230
Current assets					
Debtors	16	1,197,211		1,212	
Cash at bank and in hand		-		526	
		1,197,211		1,738	
Creditors: amounts falling due within one year	17	(5,953,561)		(3,920,004)	
Net current liabilities			(4,756,350)		(3,918,266)
Total assets less current liabilities			8,983,780		9,821,964
Capital and reserves					
Called up share capital	23		11,718		11,212
Share premium account			6,884,494		6,656,667
Profit and loss reserves			2,087,568		3,154,085
Total equity			8,983,780		9,821,964

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £1,066,517 (2019 - £72,037 profit).

The financial statements were approved by the board of directors and authorised for issue on 9 October 2020 and are signed on its behalf by:

N J Snelson
Director

Company Registration No. 06517986

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JANUARY 2020

	Share capital	Share premium/loss account	Profit and reserves	Controlling interest	Non-controlling interest	Total
Notes	£	£	£	£	£	£
Balance at 1 February 2018	11,212	6,656,667	8,523,733	15,191,612	5,838	15,197,450
Year ended 31 January 2019:						
Profit for the year	-	-	3,629,460	3,629,460	7,053	3,636,513
Other comprehensive income:						
Currency translation differences	-	-	(6,226)	(6,226)	-	(6,226)
Total comprehensive income for the year	-	-	3,623,234	3,623,234	7,053	3,630,287
Transfers	-	-	1,850,000	1,850,000	-	1,850,000
Balance at 31 January 2019	11,212	6,656,667	13,996,967	20,664,846	12,891	20,677,737
Year ended 31 January 2020:						
Profit for the year	-	-	3,449,609	3,449,609	82,139	3,531,748
Other comprehensive income:						
Currency translation differences	-	-	(2,573)	(2,573)	-	(2,573)
Total comprehensive income for the year	-	-	3,447,036	3,447,036	82,139	3,529,175
Issue of share capital	23 506	227,827	-	228,333	-	228,333
Dividends	-	-	(1,987,747)	(1,987,747)	-	(1,987,747)
Balance at 31 January 2020	11,718	6,884,494	15,456,256	22,352,468	95,030	22,447,498

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 JANUARY 2020

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 February 2018		11,212	6,656,667	3,082,048	9,749,927
Year ended 31 January 2019:					
Profit and total comprehensive income for the year		-	-	72,037	72,037
Balance at 31 January 2019		11,212	6,656,667	3,154,085	9,821,964
Year ended 31 January 2020:					
Loss and total comprehensive income for the year		-	-	(1,066,517)	(1,066,517)
Issue of share capital	23	506	227,827	-	228,333
Balance at 31 January 2020		11,718	6,884,494	2,087,568	8,983,780

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2020

		2020	2019
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	26	3,371,634	13,609,507
Interest paid		(144,955)	(325,031)
Income taxes paid		(1,820,743)	(617,081)
Net cash inflow from operating activities		1,405,936	12,667,395
Investing activities			
Purchase of intangible assets		(549,252)	-
Proceeds on disposal of intangibles		-	107,155
Purchase of tangible fixed assets		(1,108,283)	(8,094,070)
Proceeds on disposal of tangible fixed assets		5,039,732	2,095,982
Proceeds on disposal of subsidiaries		(100)	-
Receipts arising from loans made		-	500,000
Interest received		2,103	138
Net cash generated from/(used in) investing activities		3,384,200	(5,390,795)
Financing activities			
Proceeds from issue of shares		228,333	-
Proceeds of new bank loans		-	5,136,518
Repayment of bank loans		(1,205,198)	(1,687,296)
Payment of finance leases obligations		(31,111)	(156,023)
Dividends paid to equity shareholders		(1,987,747)	-
Net cash (used in)/generated from financing activities		(2,995,723)	3,293,199
Net increase in cash and cash equivalents		1,794,413	10,569,799
Cash and cash equivalents at beginning of year		14,631,421	4,061,622
Cash and cash equivalents at end of year		16,425,834	14,631,421
Relating to:			
Cash at bank and in hand		16,428,041	14,631,421
Bank overdrafts included in creditors payable within one year		(2,207)	-

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JANUARY 2020

		2020		2019	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	27	(208,344)		(566,565)	
Interest paid		(14,425)		(45,400)	
Income taxes paid		(6,090)		(3,330)	
Net cash outflow from operating activities		(228,859)		(615,295)	
Investing activities					
Proceeds on disposal of intangibles		-		107,155	
Receipts arising from loans made		-		500,000	
Net cash (used in)/generated from investing activities			-		607,155
Financing activities					
Proceeds from issue of shares		228,333		-	
Net cash generated from/(used in) financing activities		228,333		-	
Net decrease in cash and cash equivalents		(526)		(8,140)	
Cash and cash equivalents at beginning of year		526		8,666	
Cash and cash equivalents at end of year		-		526	

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

Company information

APS Group Global Limited (formerly APS Group Ltd) ("the company") is a limited company domiciled and incorporated in England and Wales. The registered office is Chetham House, Bird Hall Lane, Cheadle Heath, Cheadle, Cheshire SK3 0ZP.

The group consists of APS Group Global Limited (formerly APS Group Ltd) and all of its subsidiaries.

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of APS Group Global Limited (formerly APS Group Ltd) and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 January 2020. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

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

At the time of approving the financial statements the full impact of the corona virus pandemic on the UK and global economy is uncertain and the effect this may have on the company, its customers and suppliers is unknown. The directors have considered the potential risks and actions they can take to mitigate that risk and concluded that the company will continue to be a going concern.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

1.4 Turnover

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

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

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

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

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

Software	3 to 10 years based on economic life of underlying programme
----------	--

1.7 Tangible fixed assets

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

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

Land and buildings Freehold	nil
Plant and machinery	Between 33% pa on cost and 20% pa on written down value
Fixtures, fittings & equipment	Between 33% pa on cost and 20% pa on written down value
Motor vehicles	25% per annum on cost

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

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and loss are recognised in profit or loss.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.9 Impairment of fixed assets

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

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

1.12 Financial instruments

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

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

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

Basic financial assets

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

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

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

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

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

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

1.14 Taxation

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

Current tax

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

1 Accounting policies

(Continued)

Deferred tax

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

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

1.15 Employee benefits

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

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

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

1.16 Retirement benefits

Contributions payable are charged to the profit and loss account in accordance with the rules of the scheme.

1.17 Leases

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

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

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Foreign exchange

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

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

2 Judgements and key sources of estimation uncertainty

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

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

3 Turnover and other revenue

An analysis of the group's turnover is as follows:

	2020 £	2019 £
Turnover analysed by class of business		
Turnover	166,790,331	160,908,485
	2020 £	2019 £
Other significant revenue		
Interest income	2,103	138
	2020 £	2019 £
Turnover analysed by geographical market		
UK	134,510,243	130,168,208
EC	29,402,614	27,032,694
Non EC	2,877,474	3,707,583
	166,790,331	160,908,485

4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	113,308	40,375
Depreciation of owned tangible fixed assets	1,810,160	2,154,850
Depreciation of tangible fixed assets held under finance leases	942,147	908,700
Loss/(profit) on disposal of tangible fixed assets	10,808	(238,765)
Amortisation of intangible assets	198,711	197,617
Loss/(profit) on disposal of intangible assets	100	(107,155)
Operating lease charges	601,121	770,931

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

5 Auditor's remuneration

	2020	2019
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	19,500	19,500
Audit of the financial statements of the company's subsidiaries	42,500	42,500
	<u>62,000</u>	<u>62,000</u>

6 Employees

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

	Group 2020 Number	2019 Number	Company 2020 Number	2019 Number
Directors & employees	888	906	-	-

Their aggregate remuneration comprised:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Wages and salaries	33,702,475	32,767,818	193,440	-
Social security costs	2,543,295	2,553,572	-	-
Pension costs	690,601	680,459	-	-
	<u>36,936,371</u>	<u>36,001,849</u>	<u>193,440</u>	<u>-</u>

7 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	<u>1,058,520</u>	<u>411,691</u>

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

	2020 £	2019 £
Remuneration for qualifying services	<u>558,901</u>	<u>262,329</u>

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

8	Interest receivable and similar income	2020	2019
		£	£
	Interest income		
	Interest on bank deposits	2,103	138
		<u> </u>	<u> </u>
	Investment income includes the following:		
	Interest on financial assets not measured at fair value through profit or loss	2,103	138
		<u> </u>	<u> </u>
9	Interest payable and similar expenses	2020	2019
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	161,641	229,366
	Other finance costs:		
	Interest on finance leases and hire purchase contracts	(31,111)	50,265
	Other interest	14,425	45,400
		<u> </u>	<u> </u>
	Total finance costs	144,955	325,031
		<u> </u>	<u> </u>
10	Taxation	2020	2019
		£	£
	Current tax		
	UK corporation tax on profits for the current period	1,993,282	1,086,921
	Adjustments in respect of prior periods	(839)	6,981
		<u> </u>	<u> </u>
	Total current tax	1,992,443	1,093,902
		<u> </u>	<u> </u>
	Deferred tax		
	Origination and reversal of timing differences	(24,699)	303,173
		<u> </u>	<u> </u>
	Total tax charge	1,967,744	1,397,075
		<u> </u>	<u> </u>

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

10 Taxation

(Continued)

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

	2020 £	2019 £
Profit before taxation	5,499,492	5,033,588
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	1,044,903	956,382
Tax effect of expenses that are not deductible in determining taxable profit	872,454	23,963
Permanent capital allowances in excess of depreciation	57,232	410,674
Other non-reversing timing differences	(6,006)	(925)
Under/(over) provided in prior years	(839)	6,981
Taxation charge	1,967,744	1,397,075

11 Intangible fixed assets

Group	Goodwill £	Software £	Total £
Cost			
At 1 February 2019	1,975,775	437	1,976,212
Additions	-	549,252	549,252
At 31 January 2020	1,975,775	549,689	2,525,464
Amortisation and impairment			
At 1 February 2019	1,258,697	437	1,259,134
Amortisation charged for the year	198,711	-	198,711
At 31 January 2020	1,457,408	437	1,457,845
Carrying amount			
At 31 January 2020	518,367	549,252	1,067,619
At 31 January 2019	717,078	-	717,078

The company had no intangible fixed assets at 31 January 2020 or 31 January 2019.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

12 Tangible fixed assets

Group	Land and buildings Freehold £	Plant and machinery £	Fixtures, fittings & equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation						
At 1 February 2019	8,340,000	16,367,718	5,720,024	60,649	51,954	30,540,345
Additions	-	643,676	460,476	3,798	333	1,108,283
Disposals	(5,000,000)	(880,832)	(270,616)	-	(5,193)	(6,156,641)
At 31 January 2020	3,340,000	16,130,562	5,909,884	64,447	47,094	25,491,987
Depreciation and impairment						
At 1 February 2019	-	7,977,387	4,476,611	46,399	50,833	12,551,230
Depreciation charged in the year	-	2,010,300	729,413	12,138	456	2,752,307
Eliminated in respect of disposals	-	(833,045)	(267,863)	-	(5,193)	(1,106,101)
At 31 January 2020	-	9,154,642	4,938,161	58,537	46,096	14,197,436
Carrying amount						
At 31 January 2020	3,340,000	6,975,920	971,723	5,910	998	11,294,551
At 31 January 2019	8,340,000	8,390,331	1,243,413	14,250	1,121	17,989,115

The company had no tangible fixed assets at 31 January 2020 or 31 January 2019.

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

	Group 2020 £	2019 £	Company 2020 £	2019 £
Plant and machinery	3,782,666	4,626,510	-	-
Computer equipment	-	98,303	-	-
	3,782,666	4,724,813	-	-

The land and buildings were revalued on 10 April 2014 at £3,340,000 by GVA Grimley International Property Advisers at open market value. The directors consider that these valuations are appropriate at the year end.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

12 Tangible fixed assets

(Continued)

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

	Group 2020 £	2019 £	Company 2020 £	2019 £
Cost	4,300,000	6,800,910	-	-
Accumulated depreciation	-	-	-	-
Carrying value	4,300,000	6,800,910	-	-

13 Fixed asset investments

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Investments in subsidiaries	14	-	-	13,740,130	13,740,230

Movements in fixed asset investments Company

Shares in group undertakings

Cost or valuation

At 1 February 2019	13,740,230
Disposals	(100)
At 31 January 2020	13,740,130

Carrying amount

At 31 January 2020	13,740,130
At 31 January 2019	13,740,230

14 Subsidiaries

Details of the company's subsidiaries at 31 January 2020 are as follows:

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

14 Subsidiaries

(Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct
Allied Publicity Services (Manchester) Limited	England	ordinary	100.00
APS Group (Scotland) Limited	Scotland	ordinary	100.00
APS Group BV	Netherlands	ordinary	87.00
APS Group France SAS	France	ordinary	100.00
APS Group Italia SRL	Italy	ordinary	100.00
APS Group Secure Solutions Limited	England	ordinary	100.00
APS Group Suomi Oy	Finland	ordinary	100.00
APS Group Sverige AB	Sweden	ordinary	100.00
APS Group USA LLC	USA	ordinary	100.00
APS Group Spanish Enterprise S.L	Spain	ordinary	100.00
APS Deutschland GmbH	Germany	ordinary	100.00

15 Stocks

	Group 2020 £	2019 £	Company 2020 £	2019 £
Raw materials and consumables	3,315,092	1,421,368	-	-
Work in progress	72,027	132,838	-	-
Finished goods and goods for resale	318,001	373,202	-	-
	<u>3,705,120</u>	<u>1,927,408</u>	<u>-</u>	<u>-</u>

16 Debtors

	Group 2020 £	2019 £	Company 2020 £	2019 £
Amounts falling due within one year:				
Trade debtors	25,731,746	27,963,822	-	-
Unpaid share capital	1,212	1,212	1,212	1,212
Corporation tax recoverable	14,617	297,383	-	-
Amounts owed by group undertakings	-	-	1,195,999	-
Other debtors	699,629	404,776	-	-
Prepayments and accrued income	5,977,177	5,539,731	-	-
	<u>32,424,381</u>	<u>34,206,924</u>	<u>1,197,211</u>	<u>1,212</u>

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

17 Creditors: amounts falling due within one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	1,099,128	1,224,287	-	-
Obligations under finance leases	20	-	31,111	-	-
Trade creditors		20,028,216	22,206,279	-	-
Amounts owed to group undertakings		-	-	5,927,970	2,778,995
Corporation tax payable		783,384	419,623	-	6,929
Other taxation and social security		1,595,158	1,975,331	2,885	9,080
Other creditors		1,400,694	3,226,339	606	1,125,000
Accruals and deferred income		15,284,849	15,853,096	22,100	-
		<u>40,191,429</u>	<u>44,936,066</u>	<u>5,953,561</u>	<u>3,920,004</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans and overdrafts	19	2,479,511	3,557,343	-	-
		<u>2,479,511</u>	<u>3,557,343</u>	<u>-</u>	<u>-</u>

19 Loans and overdrafts

	Group 2020 £	2019 £	Company 2020 £	2019 £
Bank loans	3,576,432	4,781,630	-	-
Bank overdrafts	2,207	-	-	-
	<u>3,578,639</u>	<u>4,781,630</u>	<u>-</u>	<u>-</u>
Payable within one year	1,099,128	1,224,287	-	-
Payable after one year	2,479,511	3,557,343	-	-
	<u>3,578,639</u>	<u>4,781,630</u>	<u>-</u>	<u>-</u>

The loans are secured by fixed and floating charges over the assets to which they relate.

20 Finance lease obligations

	Group 2020 £	2019 £	Company 2020 £	2019 £
Future minimum lease payments due under finance leases:				
Within one year	-	31,111	-	-
	<u>-</u>	<u>31,111</u>	<u>-</u>	<u>-</u>

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

20 Finance lease obligations

(Continued)

21 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2020 £	Liabilities 2019 £	Assets 2020 £	Assets 2019 £
Group				
Accelerated capital allowances	-	-	198,726	174,027
Revaluations	-	474,827	-	-
	<u>-</u>	<u>474,827</u>	<u>198,726</u>	<u>174,027</u>
	<u><u>-</u></u>	<u><u>474,827</u></u>	<u><u>198,726</u></u>	<u><u>174,027</u></u>

The company has no deferred tax assets or liabilities.

	Group 2020 £	Company 2020 £
Movements in the year:		
Liability at 1 February 2019	300,800	-
Charge to profit and loss account	(24,699)	-
Distribution of revalued asset as dividend in specie	(474,827)	-
	<u>(198,726)</u>	<u>-</u>
Liability/(asset) at 31 January 2020	<u><u>(198,726)</u></u>	<u><u>-</u></u>

22 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>690,601</u>	<u>680,459</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

23 Share capital

	Group and company	
	2020	2019
	£	£
Ordinary share capital		
Issued and not fully paid		
10,000 ordinary of £1 each	10,000	10,000
1,718 ordinary A of £1 each	1,718	1,212
	<u>11,718</u>	<u>11,212</u>

The rights of each class of share are included in the company's Articles of Association.

During the year 506 ordinary A shares were issued at a premium of £227,827.

24 Operating lease commitments

Lessee

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

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Within one year	2,583,473	1,281,857	-	-
Between two and five years	5,960,577	4,517,526	-	-
In over five years	5,817,331	5,234,381	-	-
	<u>14,361,381</u>	<u>11,033,764</u>	<u>-</u>	<u>-</u>

25 Controlling party

The company is controlled by N J Snelson, a director of the company. During the year following a demerger the shares of this company were transferred to APS Group Limited, a new holding company.

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

26 Cash generated from group operations

	2020 £	2019 £
Profit for the year after tax	3,531,748	3,636,513
Adjustments for:		
Taxation charged	1,967,744	1,397,075
Finance costs	144,955	325,031
Investment income	(2,103)	(138)
Loss/(gain) on disposal of tangible fixed assets	10,808	(238,765)
Loss/(gain) on disposal of intangible assets	100	(107,155)
Amortisation and impairment of intangible assets	198,711	197,617
Depreciation and impairment of tangible fixed assets	2,752,307	3,063,550
Movements in working capital:		
(Increase)/decrease in stocks	(1,777,712)	597,510
Decrease/(increase) in debtors	1,496,114	(343,874)
(Decrease)/increase in creditors	(4,951,038)	5,082,143
Cash generated from operations	3,371,634	13,609,507

27 Cash absorbed by operations - company

	2020 £	2019 £
(Loss)/profit for the year after tax	(1,066,517)	72,037
Adjustments for:		
Taxation (credited)/charged	(839)	6,929
Finance costs	14,425	45,400
Loss/(gain) on disposal of intangible assets	100	(107,155)
Movements in working capital:		
(Increase)/decrease in debtors	(1,195,999)	1,200,436
Increase/(decrease) in creditors	2,040,486	(1,784,212)
Cash absorbed by operations	(208,344)	(566,565)

APS GROUP GLOBAL LIMITED (FORMERLY APS GROUP LTD)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JANUARY 2020

28 Analysis of changes in net funds - group

	1 February 2019	Cash flows	31 January 2020
	£	£	£
Cash at bank and in hand	14,631,421	1,796,620	16,428,041
Bank overdrafts	-	(2,207)	(2,207)
	<u>14,631,421</u>	<u>1,794,413</u>	<u>16,425,834</u>
Borrowings excluding overdrafts	(4,781,630)	1,205,198	(3,576,432)
Obligations under finance leases	(31,111)	31,111	-
	<u>9,818,680</u>	<u>3,030,722</u>	<u>12,849,402</u>

29 Analysis of changes in net funds - company

	1 February 2019	Cash flows	31 January 2020
	£	£	£
Cash at bank and in hand	526	(526)	-
	<u>526</u>	<u>(526)</u>	<u>-</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.