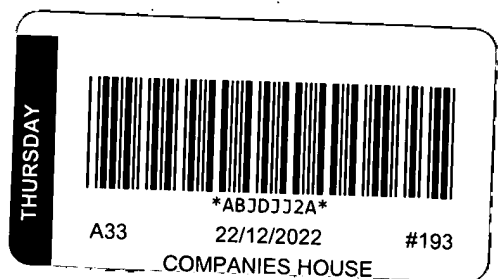


ALAN BAXTER LIMITED

ANNUAL REPORT

for the year ended

31 May 2022



ALAN BAXTER LIMITED

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ALAN BAXTER LIMITED

Directors and advisers

Directors:

W Gardiner
W Filmer-Sankey
A Sewell
N Davies
A Morton
R Pollard
C Coats
D Lankester
F Nyberg
O Fernandez
T Williams

Company secretary

N Davies

Registered office

75 Cowcross Street
London
EC1M 6EL

Auditors

CLA Evelyn Partners Limited
45 Gresham Street
London, EC2V 7BG

Solicitors

Beale and Company Solicitors LLP
Capital House
85 King William Street
London, EC4N 7BL

Registered number

06600598

ALAN BAXTER LIMITED

STRATEGIC REPORT

The directors present the strategic report for Alan Baxter Limited for the year ended 31 May 2022.

Principal activities

The company provides integrated design services including planning, conservation, urban design and engineering of the built and natural environment. The company is the successor to the business of Alan Baxter & Associates carried on by Alan Baxter from 1 February 1974 which became an unincorporated partnership on 8 October 1984 and a limited liability partnership known as Alan Baxter & Associates LLP on 1 September 2007, ultimately becoming Alan Baxter Limited on 31 March 2015.

Business review

Alan Baxter is a multidisciplinary design consultancy serving clients across the private and public sectors throughout the UK with occasional projects overseas. We are independent, free thinking, inventive and pragmatic. Our work is highly regarded and is at the forefront of creative endeavour in the built environment professions.

Since 1974 the firm has grown from a structural engineering practice into a highly regarded consultancy of 97 people, involved in all aspects of the built environment. Our urban designers, engineers, and conservation experts collaborate closely every day. This integrational method leads to the best long-term solutions for our clients.

The company is managed strategically by an executive board of 3 directors to whom a wider group of 8 directors report on a regular basis to ensure all aspects of the business are carefully controlled. A long term plan is in place for succession purposes.

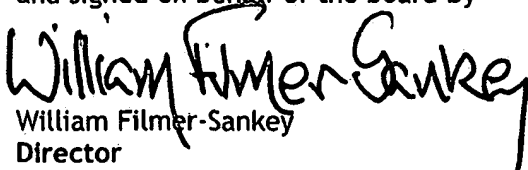
The company's policy is to ensure high professional standards and the long term financial health of the company.

Key performance indicators

The company monitors its financial performance on a continuing basis across a number of key areas, including the following:

- Turnover;
- Profit before tax;
- Debt levels; and
- Income and expenditure against budgets.

Approved by the board of directors
and signed on behalf of the board by


William Filmer-Sankey
Director

ALAN BAXTER LIMITED

DIRECTORS' REPORT

The directors present their report and the accounts for the year ended 31 May 2022.

Results for the year and dividends

The results for 2021/22 were up on 2020/21 reflecting the gradual recovery from the impact on the construction industry as a result of the economic downturn experienced due to the Covid-19 pandemic.

The directors do not recommend a dividend (2021: £nil).

Financial risk management

The main financial risks faced by the company are the wider economic performance of the UK economy and of the construction industry in particular, which is outside the control of the executive board, together with credit risk of client default in respect of the payment of fees.

Credit risk

Credit risk is managed through credit checks provided by an established agency, taking up references and review of past trading accounts. The company maintains a strict policy on credit control, monitoring overdue amounts receivable.

Directors

The following individuals were directors throughout the year, unless otherwise stated:

W Gardiner
W Filmer-Sankey
A Sewell
N Davies
A Morton
R Pollard
C Coats
D Lankester
F Nyberg
O Fernandez
T Williams

Appointed 1 June 2021
Appointed 1 June 2021
Appointed 1 June 2021

Disclosure of information to the auditors

In the case of each person who was a director at the time this report was approved:

- so far as that director was aware, there was no relevant audit information of which the company's auditors were unaware;
- and that director had taken all steps that the director ought to have taken as a director to make him or herself aware of any relevant audit information and to establish that the company's auditors were aware of that information.

ALAN BAXTER LIMITED

DIRECTORS' REPORT (continued)

Auditors

A resolution proposing that CLA Evelyn Partners Limited be re-appointed as auditors of the company will be put to the next Annual General Meeting.

Approved by the board of directors
and signed on behalf of the board by

A handwritten signature in black ink, reading "William Filmer-Sankey". The signature is written in a cursive, flowing style with a large, prominent 'W' and 'F'.

William Filmer-Sankey
Director

ALAN BAXTER LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The directors are responsible for preparing the Strategic Report, Directors' 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), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are 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 directors are 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. They are 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.

CLA EVELYN PARTNERS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALAN BAXTER LIMITED

Opinion

We have audited the financial statements of Alan Baxter Limited (the 'company') for the year ended 31 May 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cashflows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2022 and of its 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. 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.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; 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 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.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 set out on page 6, 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 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 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.

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 a general understanding of the company's legal and regulatory framework through enquiry of management in respect of their understanding of the relevant laws and regulations, the company's policies and procedures in relation to compliance with relevant laws and regulations and how management identify, evaluate and account for breaches of the applicable requirements. We also drew on our existing understanding of the company's industry and regulation.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct its business and where failure to comply could result in material penalties. We have identified the following laws and regulations as being of significance in the context of the Company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements
- The Bribery Act 2010

To gain evidence about compliance with the significant laws and regulations above, we:

- held discussions with members of the management team regarding any areas of suspected non-compliance
- obtained written management representations regarding the adequacy of procedures in place.
- checked compliance with financial statements disclosure requirements based upon knowledge obtained during the audit.

The senior statutory auditor led a discussion with all members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of the discussion were the risk of manipulation of the financial statements through manual journal entries, incorrect recognition of revenue and significant estimates used for accrued income and trade debtors.

The procedures carried out to gain evidence in the above areas included testing:

- a sample of revenue transactions to underlying documentation and vice versa
- a sample of outstanding trade debtor and accrued income balances at the year end through to evidence confirming recoverability
- a sample of manual journal entries, selected through applying specific risk assessments based on the company's processes and controls surrounding manual journal entries.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

CLA Evelyn Partners Limited

Giles Murphy

Senior Statutory Auditor, for and on behalf of

CLA Evelyn Partners Limited
45 Gresham Street
London EC2V 7BG

Statutory Auditor
Chartered Accountants

20 December 2022

ALAN BAXTER LIMITED

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 May 2022

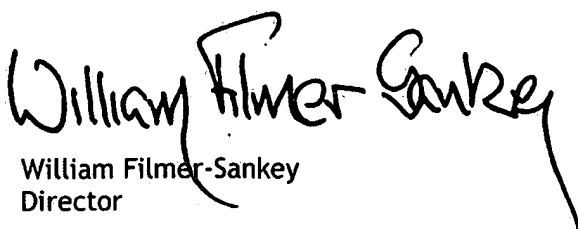
	Notes	2022 £'000	2021 £'000
Turnover	3	6,390	5,297
Staff costs	7	(4,371)	(4,402)
Depreciation	4	(21)	(30)
Administrative expenses		(1,870)	(1,458)
Other operating income	14	384	696
Operating Profit	4	512	103
Interest receivable		-	-
Profit before taxation		512	103
Tax on profit	8	107	(20)
Profit after taxation		619	84
Other comprehensive income		-	-
Total comprehensive income		619	84

ALAN BAXTER LIMITED

BALANCE SHEET as at 31 May 2022

	Notes	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	9	48	36
Current assets			
Debtors	10	2,703	2,495
Cash at bank		2,330	1,998
		5,033	4,493
Creditors: amounts falling due within one year	11	(855)	(922)
Net current assets		4,178	3,571
Net assets		4,226	3,607
REPRESENTED BY			
Called up share capital	12	9	9
Profit and loss account	13	4,216	3,597
Capital redemption reserve	13	1	1
		4,226	3,607

The accounts were approved by the Board of Directors on 15 December 2022 and were signed on its behalf by:


 William Filmer-Sankey
 Director

Company's registered number: 06600598

ALAN BAXTER LIMITED

STATEMENT OF CHANGES IN EQUITY for the year ended 31 May 2022

	Share capital £'000	Capital redemption reserve £'000	Profit & loss account £'000	Total equity £'000
Balance at 1 June 2020	9	1	3,513	3,523
Profit and total comprehensive income for the year	-	-	84	84
Balance at 31 May 2021	9	1	3,597	3,607
Profit and total comprehensive income for the year	-	-	619	619
Balance at 31 May 2022	9	1	4,216	4,226

ALAN BAXTER LIMITED

STATEMENT OF CASH FLOWS for the year ended 31 May 2022

	Notes	2022 £'000	2021 £'000
Net cash generated from operating activities	A	437	244
Investing activities			
Interest received		-	-
Purchases of tangible fixed assets		(33)	(9)
Net cash (used in) investing activities		(33)	(9)
Financing activities			
Movement on loans from related parties		(72)	448
Net cash (used in) / received from financing activities		(72)	448
Net increase in cash and cash equivalents		332	684
Cash and cash equivalents at beginning of the year		1,998	1,314
Cash and cash equivalents at end of year		<u>2,330</u>	<u>1,998</u>

Notes to the statement of cash flows for the year ended 31 May 2022

A Net cash generated from/(used in) operating activities

	2022 £'000	2021 £'000
Operating profit	512	103
Depreciation charge	21	30
(Increase) / Decrease in debtors	(208)	845
Increase / (Decrease) in creditors	11	(694)
Cash generated from operating activities	336	284
Tax (paid) / received	101	(38)
	<u>437</u>	<u>244</u>

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022

1 Accounting policies

The accounts have been prepared in accordance with applicable Accounting Standards. A summary of the more important accounting policies adopted are described below.

Basis of preparation

Alan Baxter Limited is a private limited company limited by share capital incorporated in England and Wales. The address of the registered office is 75 Cowcross Street, London, EC1M 6EL.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 2).

The company's functional currency and reporting currency is Sterling.

Going concern

The directors have assessed trading performance since the year end and are satisfied that it has remained resilient. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Taxation

The current tax charge is based on the taxable profit for the year. Taxable profits differ from the results owing to timing differences as well as items that are not taxable. The company's liability for current tax is calculated using rates that have been substantially enacted at the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxation profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

1 Accounting Policies (continued)

Taxation (continued)

Receipts from Research and Development Tax claims are recognised when the outcome of the claim can be reliably estimated.

Tangible fixed assets

Tangible fixed assets comprise office equipment, fixtures and fittings and motor vehicles. These are stated at cost less accumulated depreciation and any recognised impairment loss.

Depreciation is charged so as to write off the cost of assets to their residual values, over their estimated useful lives, using the straight-line method, on the following bases:

Office equipment, fixtures and fittings	-	20% straight line basis
Motor vehicles	-	25% straight line basis

Cash and cash equivalents

Cash is represented by cash in hand deposits with financial institutions repayable without penalty of notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Leases

Rental costs under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Revenue Recognition

Revenue in respect of professional services is recognised by reference to the fair value of the services provided at the balance sheet date as a proportion of the total value of the engagement and includes third party contractor costs. Unbilled revenue is included within debtors as accrued income.

Revenue in respect of management services provided by the company to Alan Baxter & Coombs, a related party, is recognised in other operating income as the services are provided. To the extent that payment has been received prior to the service being delivered this is included in deferred income within creditors.

Grant Income

- Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in Other operating income over the period in which the related costs are recognised. A grant that becomes 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 is recognised in Other operating income in the period in which it becomes receivable.

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

1 Accounting Policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised in the Balance Sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans, overdrafts and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variance interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amount and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered.

2 Key sources of estimation uncertainty and judgements

Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amount of assets and liabilities as well as the disclosure of contingent assets and liabilities at the Balance Sheet date and the reported amounts of revenues and expenses during the reporting period.

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

2 Key sources of estimation uncertainty and judgements (continued)

Judgements

The following are critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Financial instruments classification

The classification of financial instruments as "basic" or "other" requires judgement as to whether all the applicable conditions for classification as basic are met. This includes consideration of the form of the instrument and its return.

Bad debt and accrued income provisions

The trade debtors balance of £1,600,969 (2021: £1,306,850) and accrued income balance of £772,975 (2021: £820,122) recorded in the company's Balance Sheet comprises a relatively large number of small balances. A full line by line review of these balances is carried out at the end of each quarter, as well as a provision being applied based on adjudged recoverability. Whilst every attempt is made to ensure that the bad debt and accrued income provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts and accrued income which ultimately prove to be irrecoverable.

3	Turnover	2022 £'000	2021 £'000
	Earned in the UK	6,377	5,112
	Earned in other European Countries	2	90
	Earned in non European Countries	11	95
		<hr/> 6,390	<hr/> 5,297
4	Operating profit is stated after charging:	£'000	£'000
	Depreciation	21	30
	Provision for doubtful debts	98	102
		<hr/>	<hr/>

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

5 Profit on ordinary activities before taxation

The analysis of auditor's remuneration is as follows:	2022 £'000	2021 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	30	30
Research & development services	32	-
Tax services	6	4
Other services	8	-
	<hr/>	<hr/>
Total fees	76	34
	<hr/>	<hr/>

6 Directors' remuneration

	£'000	£'000
Directors' remuneration	1,137	969
	<hr/>	<hr/>

The highest paid director received remuneration of £141,180 (2021: £135,400)

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

7 Employee information

The average number of persons employed by the company during year was:

	2022 No.	2021 No.
Professional and Technical Support Staff	52	55
Administration	25	24
	<hr/> 77	<hr/> 79

	2022 £'000	2021 £'000
Staff costs for the above persons were:		
Wages and salaries	3,855	3,923
Social security costs	445	409
Other pension costs	71	70
	<hr/> 4,371	<hr/> 4,402

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

8	Tax on profit on ordinary activities	2022 £'000	2021 £'000
	UK corporation tax		
	Current	(107)	20
	Deferred taxation	-	-
	Total tax due /(credit)	(107)	20

Tax has been calculated using an estimated annual effective rate of 19% (2021: 19%) on profit before tax.

The difference between the total tax expense shown above and the amount calculated by applying the standard rate of UK Corporation Tax to the profit before tax is as follows:

	2022 £'000	2021 £'000
Profit before taxation	512	103
Tax on profit on ordinary activities at standard UK corporation tax rate of 19% (2021: 19%)	97	20
Other short-term differences	1	-
Adjustment for tax relief on research & development	(205)	-
Total tax credit	(107)	20

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

9 Tangible fixed assets

	Office equipment, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost			
At 1 June 2021	2,001	31	2,032
Additions	33	-	33
	<hr/>	<hr/>	<hr/>
At 31 May 2022	2,034	31	2,065
Depreciation			
At 1 June 2021	1,965	31	1,996
Charge for the year	21	-	21
	<hr/>	<hr/>	<hr/>
At 31 May 2022	1,986	31	2,017
Net book value			
At 31 May 2022	48	-	48
	<hr/>	<hr/>	<hr/>
At 31 May 2021	36	-	36
	<hr/>	<hr/>	<hr/>

	2022 £'000	2021 £'000
10 Debtors		
Trade debtors	1,601	1,307
Other debtors	10	3
Prepayments and accrued income	1,092	1,104
Loan due from related undertakings (note 16)	-	81
	<hr/>	<hr/>
	2,703	2,495
	<hr/>	<hr/>

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

11	Creditors: amounts falling due within one year	2022	2021
		£'000	£'000
	Loan due from related undertakings (note 16)	9	-
	Corporation tax	13	20
	Other tax and social security	561	523
	Other creditors	19	12
	Accruals and deferred income	253	367
		<hr/>	<hr/>
		855	922
		<hr/>	<hr/>
12	Called up share capital	£'000	£'000
	Allotted, called up and fully paid 9,500 'A' ordinary shares of £1 each	9	9
		<hr/>	<hr/>
		9	9
		<hr/>	<hr/>

The 'A' Shares have the right to receive dividends, to vote, and to receive a share of the residual assets of the company on liquidation.

13 Reserves

Profit and loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

Capital redemption reserve

This reserve arises from a transfer from the profit and loss account to maintain the Company's capital following the redemption and distribution of share capital.

14 Other operating income

Included in other operating income are management charges of £357,120 (2021: £298,808) as disclosed in note 16, together with recoverable expenses from clients of £22,442 (2021: £15,806).

ALAN BAXTER LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 May 2022 (continued)

15 Controlling party

Alan Baxter, the 100% holder of 'A' shares of Alan Baxter Ltd, controls the company.

16 Related parties

As at 31 May 2022, Alan Baxter, the sole shareholder of the company, owned 90% of the equity of Alan Baxter & Coombs, a private partnership which owns property occupied by the company and other organisations and to whom the company paid rent & service charges amounting to £786,000 in the year to 31 May 2022 (2021: £821,000). During the year, the company recharged Alan Baxter & Coombs £357,120 (2021: £298,808) in respect of management services.

The company has also a credit balance with Alan Baxter & Coombs, the total of which was £8,915 at 31 May 2022 (2021: (£80,918)) included within creditors on the company Balance Sheet. The loan is interest free, unsecured and repayable on demand.

During the year the company made a charitable donation of £300,000 (2021: £nil) to Alan Baxter Foundation, the trustees of which include Alan Baxter, the sole shareholder of the company, plus two directors of the company's Executive Board.

Key management are those persons having authority and responsibility for planning, controlling and directing the activities of the company. In the opinion of the directors, this is the company's Executive Board.

In the year ended 31 May 2022, their total compensation was £407,397 (2021: £383,983).

17 Net Debt Note

	At 1 June 2021 £'000	Cash Flow £'000	At 31 May 2022 £'000
Cash in hand and at bank	1,998	332	2,330
Loan due to related party	81	(72)	9
	<hr/> 2,079 <hr/>	<hr/> 260 <hr/>	<hr/> 2,339 <hr/>