

**Strategic Report,
Report of the Directors and
Financial Statements
for the Year Ended 31 January 2021
for
SHEET PILING (UK) LIMITED**

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

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for the year ended 31 January 2021**

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SHEET PILING (UK) LIMITED
Company Information
for the year ended 31 January 2021

Directors:

A J Cotton
I Patel
A J Foy
J O Hull
J C Mitchell

Secretary:

A J Cotton

Registered office:

Oakfield House
Rough Hey Road
Grimsargh
Preston
Lancashire
PR2 5AR

Registered number:

08300227 (England and Wales)

Independent auditors:

Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

**Strategic Report
for the year ended 31 January 2021**

The directors present their strategic report for the year ended 31 January 2021.

Principal activity

Sheet Piling (UK) Limited are one of the United Kingdom's leading sheet piling contractors with our head office in Preston.

We specialise in all forms of driven or hydraulically pressed sheet piling works including permanent basements and retaining walls; and temporary works including sheet piling and steelwork bracing.

Our expertise covers a wide range of sectors including industrial, commercial and residential, road and rail infrastructure, ports and harbours and utilities.

Review of business

The results for the company show a pre-tax profit of £2,251,188 for the year ended January 2021 from a turnover of £30,739,916.

The operating profit margin has remained constant at around 7.7% which is attributable to on-going realisation of the company's long term business strategy along with improved cost controls.

The directors are satisfied with the performance of the company during the financial year.

Despite the Covid-19 pandemic which impacted on the United Kingdom from early 2020; the company was able to remain financially stable and secure mainly due to a number of long term projects on infrastructure schemes. In fact turnover increased in 2021 to £30.7 million (2020 - £21.9 million) as a result of such long term projects and the government's directive for the construction industry to remain operational during enforced lockdowns in 2020.

The directors remain optimistic regarding the company's future prospects particularly given the government's commitment to spending on key infrastructure projects as the country emerges from the impact of Covid-19.

Principal risks and uncertainties

The company is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through appropriate credit control procedures. The company is exposed to market risk as it predominantly supplies the construction industry. The company does not actively use financial instruments as part of its financial risk management. The nature of its other financial instruments means that they are not subject to price risk or liquidity risk.

The company recognises the exposure to the foreign exchange risk associated with purchasing company assets using foreign currencies. Whilst Brexit has impacted upon the fluctuation of exchange rates in foreign currencies, the company has minimised its effect by continuously monitoring the rate, arranging forward purchasing of foreign currency and retaining high stock levels. Brexit has had minimal impact on projects as work is primarily based in the UK.

Financial key performance indicators

The directors consider increasing operating margins and maintaining a manageable and sustainable turnover to be the key performance indicators, together with generating cash. See review of business paragraph above for movements in key performance indicators.

Future developments

Future developments include:

- Generation of increased stock assets from retained profits;
- Modernisation and upgrading of plant and machinery;
- General improvements in overall efficiency of the group.

**Strategic Report
for the year ended 31 January 2021**

Research and development

The company remains committed to innovation within the market sector of steel sheet piling.

On behalf of the board:

A J Cotton - Director

28 October 2021

**Report of the Directors
for the year ended 31 January 2021**

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

Principal activity

The principal activity of the company in the year under review was that of sheet piling contractors.

Going concern

In response to the Covid 19 pandemic, the directors have assessed that it has had minimal impact on the business, due to the Government classifying construction works as 'essential work' and continuing with infrastructure projects. The directors have concluded that they have all the resources to complete the work in-house and can continue to adopt the going concern basis in the preparing the annual report and accounts.

Dividends

No dividends will be distributed for the year ended 31 January 2021.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

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

A J Cotton
I Patel
A J Foy
J O Hull
J C Mitchell

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 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 judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's 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.

Statement as to disclosure of information to auditors

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

**Report of the Directors
for the year ended 31 January 2021**

Auditors

The auditors, Haines Watts Manchester Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

On behalf of the board:

A J Cotton - Director

28 October 2021

Report of the Independent Auditors to the Members of Sheet Piling (UK) Limited

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 January 2021 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 Auditors' 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Directors' view on the impact of COVID-19 is disclosed in the Report of the Directors.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

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

Opinions on other matters prescribed by the Companies Act 2006

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

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

Report of the Independent Auditors to the Members of Sheet Piling (UK) Limited

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 Report of the Directors.

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

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

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

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- identifying and assessing the design and effectiveness of controls that management has in place to prevent and detect fraud;
- identifying and testing journal entries, in particular journals we consider to be unusual;
- sampling stock take physical verification to final stock records, and undertaking stock valuation procedures;
- sampling physical verification of fixed assets from the fixed asset register, and undertaking asset valuation procedures;
- assess managements estimates of contract work and agreeing to third party evidence;
- assessing the extent of compliance with applicable laws and regulations, alongside maintaining professional scepticism.

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

Report of the Independent Auditors to the Members of Sheet Piling (UK) Limited

Use of our report

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

Antony Sassen (Senior Statutory Auditor)
for and on behalf of Haines Watts Manchester Limited, Statutory Auditor
Northern Assurance Buildings
9-21 Princess Street
Manchester
M2 4DN

29 October 2021

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Statement of Comprehensive
Income
for the year ended 31 January 2021**

		2021	2020
	Notes	£	£
Turnover	4	30,739,916	21,910,533
Cost of sales		<u>(27,624,078)</u>	<u>(19,190,254)</u>
Gross profit		3,115,838	2,720,279
Administrative expenses		<u>(923,298)</u>	<u>(1,014,598)</u>
		2,192,540	1,705,681
Other operating income		201,192	-
Gain/loss on revaluation of investments		<u>(41,119)</u>	<u>-</u>
Operating profit	6	2,352,613	1,705,681
Interest receivable and similar income		<u>3,221</u>	<u>11,724</u>
		2,355,834	1,717,405
Interest payable and similar expenses	7	<u>(104,646)</u>	<u>(99,647)</u>
Profit before taxation		2,251,188	1,617,758
Tax on profit	8	<u>(340,709)</u>	<u>(99,399)</u>
Profit for the financial year		1,910,479	1,518,359
Other comprehensive income		-	-
Total comprehensive income for the year		<u>1,910,479</u>	<u>1,518,359</u>

The notes on pages 15 to 24 form part of these financial statements

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Statement of Financial Position
31 January 2021**

	Notes	£	2021 £	£	2020 £
Fixed assets					
Intangible assets	9		-		-
Tangible assets	10		<u>9,204,147</u>		<u>6,924,394</u>
			9,204,147		6,924,394
Current assets					
Stocks	11	2,165,057		2,680,113	
Debtors	12	3,509,638		3,832,161	
Investments	13	1,953,881		995,000	
Cash at bank and in hand		<u>4,090,364</u>		<u>1,662,611</u>	
		11,718,940		9,169,885	
Creditors					
Amounts falling due within one year	14	<u>7,716,041</u>		<u>7,191,602</u>	
Net current assets			4,002,899		1,978,283
Total assets less current liabilities			13,207,046		8,902,677
Creditors					
Amounts falling due after more than one year	15		(5,021,749)		(2,968,568)
Provisions for liabilities	19		<u>(700,987)</u>		<u>(360,278)</u>
Net assets			<u>7,484,310</u>		<u>5,573,831</u>
Capital and reserves					
Called up share capital	20		13,334		13,334
Share premium	21		46,666		46,666
Retained earnings	21		<u>7,424,310</u>		<u>5,513,831</u>
Shareholders' funds			<u>7,484,310</u>		<u>5,573,831</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 October 2021 and were signed on its behalf by:

A J Cotton - Director

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Statement of Changes in Equity
for the year ended 31 January 2021**

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 February 2019	13,334	3,995,472	46,666	4,055,472
Changes in equity				
Total comprehensive income	-	1,518,359	-	1,518,359
Balance at 31 January 2020	13,334	5,513,831	46,666	5,573,831
Changes in equity				
Total comprehensive income	-	1,910,479	-	1,910,479
Balance at 31 January 2021	13,334	7,424,310	46,666	7,484,310

The notes on pages 15 to 24 form part of these financial statements

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Statement of Cash Flows
for the year ended 31 January 2021**

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	1	2,988,869	1,074,656
Interest paid		(33,164)	(21,547)
Interest element of hire purchase payments paid		(58,516)	(68,713)
Finance costs paid		(12,966)	(9,387)
Net cash from operating activities		<u>2,884,223</u>	<u>975,009</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,797,479)	(1,348,394)
Sale of tangible fixed assets		244,385	170,400
Purchase of current asset investment		(1,000,000)	(995,000)
Interest received		3,221	11,724
Net cash from investing activities		<u>(2,549,873)</u>	<u>(2,161,270)</u>
Cash flows from financing activities			
New loans in year		4,000,000	1,160,000
Capital repayments in year		(1,414,031)	(1,477,938)
Net cash from financing activities		<u>2,585,969</u>	<u>(317,938)</u>
Increase/(decrease) in cash and cash equivalents		<u>2,920,319</u>	<u>(1,504,199)</u>
Cash and cash equivalents at beginning of year	2	993,304	2,497,503
Cash and cash equivalents at end of year	2	<u>3,913,623</u>	<u>993,304</u>

The notes on pages 15 to 24 form part of these financial statements

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Statement of Cash Flows
for the year ended 31 January 2021**

1. Reconciliation of profit before taxation to cash generated from operations

	2021	2020
	£	£
Profit before taxation	2,251,188	1,617,758
Depreciation charges	1,069,692	914,212
(Profit)/loss on disposal of fixed assets	(22,249)	13,000
Loss on revaluation of fixed assets	41,119	-
Finance costs	104,646	99,647
Finance income	(3,221)	(11,724)
	3,441,175	2,632,893
Decrease/(increase) in stocks	515,056	(452,436)
Decrease/(increase) in trade and other debtors	322,523	(462,152)
Decrease in trade and other creditors	(1,289,885)	(643,649)
Cash generated from operations	2,988,869	1,074,656

2. Cash and cash equivalents

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 January 2021

	31/1/21	1/2/20
	£	£
Cash and cash equivalents	4,090,364	1,662,611
Bank overdrafts	(176,741)	(669,307)
	3,913,623	993,304

Year ended 31 January 2020

	31/1/20	1/2/19
	£	£
Cash and cash equivalents	1,662,611	2,497,503
Bank overdrafts	(669,307)	-
	993,304	2,497,503

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Statement of Cash Flows
for the year ended 31 January 2021**

3. Analysis of changes in net debt

	At 1/2/20 £	Cash flow £	Other non-cash changes £	At 31/1/21 £
Net cash				
Cash at bank and in hand	1,662,611	2,427,753		4,090,364
Bank overdrafts	(669,307)	492,566		(176,741)
	<u>993,304</u>	<u>2,920,319</u>		<u>3,913,623</u>
Liquid resources				
Current asset investments	995,000	958,881	-	1,953,881
	<u>995,000</u>	<u>958,881</u>	-	<u>1,953,881</u>
Debt				
Finance leases	(1,368,872)	525,274	-	(2,617,700)
Debts falling due within 1 year	(708,558)	(1,404,338)	-	(2,112,896)
Debts falling due after 1 year	(1,350,659)	(1,706,905)	-	(3,057,564)
	<u>(3,428,089)</u>	<u>(2,585,969)</u>	-	<u>(7,788,160)</u>
Total	<u>(1,439,785)</u>	<u>1,293,231</u>	-	<u>(1,920,656)</u>

**Notes to the Financial Statements
for the year ended 31 January 2021**

1. Statutory information

Sheet Piling (UK) Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Statement of compliance

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

3. Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

In response to the covid 19 pandemic, the directors have assessed that it has had minimal impact on the business, due to the Government classifying construction works as 'essential work' and continuing with infrastructure projects. The directors have concluded that they have all the resources to complete the work in-house and can continue to adopt the going concern basis in the preparing the annual report and accounts.

Long-term contracts

Profit on long-term contracts is recognised as the work is carried out and if the final outcome can be assessed with reasonable certainty. The profit is calculated on a prudent basis to reflect the proportion of the work carried out by recording turnover and related costs as contract activity progresses. Turnover is calculated as the revenue certified to date and adjustments for work completed not yet certified. Revenue derived from variations on contracts are recognised only when they have been accepted by the customer. Full provision is made for losses on all contracts in the year in which they are first foreseen.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Sale of goods

Revenue from sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with customer certification when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract; and
- the stage of completion of the contract at the end of the reporting periods can be measured reliably.

Intangible assets

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

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

3. Accounting policies - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 18% on reducing balance and 5% to 10% straight line
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance
Office equipment	- 25% on reducing balance

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses.

Government grants

Government grants are recognised when there is reasonable assurance that the company will comply with the conditions attaching to the grant and the grant will be received.

For the monthly and weekly job retention scheme grant income, the income will be recognised in the period to which the underlying furloughed staff costs relate to.

Investments in subsidiaries

Investment in subsidiaries are measured at cost less accumulated impairment.

Stocks

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

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors 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 receipts discounted at a market rate of interest.

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

Taxation

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

3. Accounting policies - continued

Deferred tax

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

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

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

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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

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

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Current asset investments

Current asset investments are initially measured at cost and are subsequently re-measured at their fair value.

Significant judgements and estimates

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether leases entered into by the group either as a lessor or a lessee are operating finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is component of a larger cash-generating unit, the viability and expected future performance of that unit.

Other key sources of estimation uncertainty

Amounts recoverable on contracts valuation

The valuation of amounts recoverable on contracts in excess of the amount certified involves a number of estimates including costs not yet certified and analysis of costs between the different stages of the project.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

4. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021 £	2020 £
United Kingdom	30,739,916	21,619,790
Ireland	-	290,743
	<u>30,739,916</u>	<u>21,910,533</u>

5. Employees and directors

	2021 £	2020 £
Wages and salaries	3,251,652	2,522,423
Social security costs	255,534	232,207
	<u>3,507,186</u>	<u>2,754,630</u>

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

	2021	2020
Management, technical and administration	18	22
Site operations	37	29
	<u>55</u>	<u>51</u>

	2021 £	2020 £
Directors' remuneration	<u>201,870</u>	<u>206,160</u>

Information regarding the highest paid director is as follows:

	2021 £	2020 £
Emoluments etc	<u>63,355</u>	<u>72,441</u>

6. Operating profit

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

	2021 £	2020 £
Other operating leases	39,600	39,050
Depreciation - owned assets	1,069,692	914,212
(Profit)/loss on disposal of fixed assets	(22,249)	13,000
Auditors' remuneration	14,000	13,000
Taxation compliance services	750	-
Taxation advisory services	-	7,000
Foreign exchange differences	<u>(32,336)</u>	<u>48,758</u>

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

7. Interest payable and similar expenses

	2021	2020
	£	£
Bank loan interest	33,164	21,547
Hire purchase	58,516	68,713
Unwinding of discount	12,966	9,387
	<u>104,646</u>	<u>99,647</u>

8. Taxation

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2021	2020
	£	£
Deferred tax	340,709	99,399
Tax on profit	<u>340,709</u>	<u>99,399</u>

Reconciliation of total tax charge included in profit and loss

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

	2021	2020
	£	£
Profit before tax	<u>2,251,188</u>	<u>1,617,758</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	427,726	307,374
Effects of:		
Expenses not deductible for tax purposes	9,691	-
Income not taxable for tax purposes	(4,840)	-
Capital allowances in excess of depreciation	(204,668)	-
Other timing differences leading to a decrease in taxation	-	(109,774)
R&D expenditure allowance	-	(197,600)
Deferred tax movement	340,709	99,399
Losses utilised	(227,909)	-
Total tax charge	<u>340,709</u>	<u>99,399</u>

Factors affecting future tax charges

Future tax liabilities will be reduced by research and development claims. No claim has yet been made for the current year.

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

9. Intangible fixed assets

	Goodwill £
Cost	
At 1 February 2020	1,438,326
Disposals	<u>(1,438,326)</u>
At 31 January 2021	<u>-</u>
Amortisation	
At 1 February 2020	1,438,326
Eliminated on disposal	<u>(1,438,326)</u>
At 31 January 2021	<u>-</u>
Net book value	
At 31 January 2021	<u>-</u>
At 31 January 2020	<u>-</u>

10. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Totals £
Cost					
At 1 February 2020	10,616,352	13,289	55,057	13,422	10,698,120
Additions	3,565,081	-	6,500	-	3,571,581
Disposals	<u>(331,201)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(331,201)</u>
At 31 January 2021	<u>13,850,232</u>	<u>13,289</u>	<u>61,557</u>	<u>13,422</u>	<u>13,938,500</u>
Depreciation					
At 1 February 2020	3,722,339	6,760	36,972	7,655	3,773,726
Charge for year	1,060,278	2,280	5,328	1,806	1,069,692
Eliminated on disposal	<u>(109,065)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(109,065)</u>
At 31 January 2021	<u>4,673,552</u>	<u>9,040</u>	<u>42,300</u>	<u>9,461</u>	<u>4,734,353</u>
Net book value					
At 31 January 2021	<u>9,176,680</u>	<u>4,249</u>	<u>19,257</u>	<u>3,961</u>	<u>9,204,147</u>
At 31 January 2020	<u>6,894,013</u>	<u>6,529</u>	<u>18,085</u>	<u>5,767</u>	<u>6,924,394</u>

Included within the net book value of tangible fixed assets is £3,278,209 (2020 - £1,341,772) in respect of assets held under finance lease agreements.

11. Stocks

	2021 £	2020 £
Finished goods	<u>2,165,057</u>	<u>2,680,113</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)**Notes to the Financial Statements - continued
for the year ended 31 January 2021****12. Debtors: amounts falling due within one year**

	2021	2020
	£	£
Trade debtors	580,358	731,671
Amounts recoverable on contract	2,839,473	3,031,902
Other debtors	5,752	949
Prepayments and accrued income	84,055	67,639
	<u>3,509,638</u>	<u>3,832,161</u>

Financial assets that are debt instruments measured at amortised cost include trade debtors and other debtors.

13. Current asset investments

	2021	2020
	£	£
Listed investments	953,881	995,000
Other	1,000,000	-
	<u>1,953,881</u>	<u>995,000</u>

Market value of listed investments at 31 January 2021 - £ 1,956,873 (2020 - £ 995,000).

The investment occurred on the balance sheet date.

14. Creditors: amounts falling due within one year

	2021	2020
	£	£
Bank loans and overdrafts (see note 16)	1,988,106	1,048,831
Other loans (see note 16)	301,531	329,034
Hire purchase contracts (see note 17)	920,423	554,551
Trade creditors	2,930,669	2,406,383
Social security and other taxes	783,019	167,917
Other creditors	706,579	2,572,132
Accruals and deferred income	85,714	112,754
	<u>7,716,041</u>	<u>7,191,602</u>

Financial liabilities measured at amortised cost include trade creditors, other creditors and other loans.

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

	2021	2020
	£	£
Bank loans (see note 16)	2,879,629	587,665
Other loans (see note 16)	177,935	762,994
Hire purchase contracts (see note 17)	1,697,277	814,321
Other creditors	266,908	803,588
	<u>5,021,749</u>	<u>2,968,568</u>

Financial liabilities measured at amortised cost include other creditors and other loans.

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

16. Loans

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank overdrafts	176,741	669,307
Bank loans	394,696	379,524
CBILS loan	1,416,669	-
Other loans	301,531	329,034
	<u>2,289,637</u>	<u>1,377,865</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	296,298	394,271
CBILS loan	2,000,000	-
Other loans - 1-2 years	177,935	483,726
	<u>2,474,233</u>	<u>877,997</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	-	193,394
CBILS loan	583,331	-
Other loans - 2-5 years	-	279,268
	<u>583,331</u>	<u>472,662</u>

The effective interest rate applied on the long term loans is 6.85% based on the company's cost of debt.

17. Leasing agreements

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2021 £	2020 £
Net obligations repayable:		
Within one year	920,423	554,551
Between one and five years	1,697,277	814,321
	<u>2,617,700</u>	<u>1,368,872</u>
	Non-cancellable operating leases	
	2021 £	2020 £
Within one year	36,000	36,000
Between one and five years	72,000	108,000
	<u>108,000</u>	<u>144,000</u>

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)

**Notes to the Financial Statements - continued
for the year ended 31 January 2021**

18. Secured debts

The following secured debts are included within creditors:

	2021 £	2020 £
Bank loans	4,690,994	967,189
Hire purchase contracts	<u>2,617,700</u>	<u>1,368,872</u>
	<u>7,308,694</u>	<u>2,336,061</u>

The obligations under asset bank loans and finance/hire purchase contracts are secured by the assets to which they relate.

19. Provisions for liabilities

	2021 £	2020 £
Deferred tax		
Accelerated capital allowances	754,590	518,453
Other timing differences	<u>(53,603)</u>	<u>(158,175)</u>
	<u>700,987</u>	<u>360,278</u>

Deferred tax £
Balance at 1 February 2020
Provided during year
Balance at 31 January 2021
<u>360,278</u>
<u>340,709</u>
<u>700,987</u>

20. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
12,667	Ordinary	1	12,667	12,667
667	A Ordinary	1	<u>667</u>	<u>667</u>
			<u>13,334</u>	<u>13,334</u>

SHEET PILING (UK) LIMITED (REGISTERED NUMBER: 08300227)**Notes to the Financial Statements - continued
for the year ended 31 January 2021****21. Reserves**

	Retained earnings £	Share premium £	Totals £
At 1 February 2020	5,513,831	46,666	5,560,497
Profit for the year	1,910,479	-	1,910,479
At 31 January 2021	<u>7,424,310</u>	<u>46,666</u>	<u>7,470,976</u>

The group and company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of any dividends paid and other adjustments.

22. Capital commitments

	2021 £	2020 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>1,374,391</u>

23. Related party disclosures

Within other loans payable > 1 year is a balance of £nil (2020 - £325,529) with a company with a common director.

Within other creditors > 1 year are directors loan account balances of £266,908 (2020 - £803,588). During the year there were advances and credits of £1,586,680 and £1,050,000 respectively.

24. Post balance sheet events

After the year end, the company repaid a CBILS loan amounting to £2,000,000, sold an investment for £1,014,959 and purchased plant and machinery amounting to £1,033,226.

The company is also planning to sell another investment post year, which is valued at year end £953,881.

25. Ultimate controlling party

The controlling party is A J Cotton.

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