

Allan Webb Limited

Annual Report and Financial Statements
for the Year Ended 30 June 2022

Xeinadin Audit Limited
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

Allan Webb Limited

Contents

Company Information	<u>1</u>
Strategic Report	<u>2</u>
Directors' Report	<u>3</u> to <u>4</u>
Statement of Directors' Responsibilities	<u>5</u>
Independent Auditor's Report	<u>6</u> to <u>9</u>
Profit and Loss Account	<u>10</u>
Statement of Comprehensive Income	<u>11</u>
Balance Sheet	<u>12</u>
Statement of Changes in Equity	<u>13</u> to <u>14</u>
Statement of Cash Flows	<u>15</u>
Notes to the Financial Statements	<u>16</u> to <u>27</u>

Allan Webb Limited

Company Information

Directors	S M Rigsby R J Lipington J C Hardcastle G D Jones I J Hayes E M Webb
Company secretary	I J Hayes
Registered office	Red Lodge Bonds Mill Stonehouse Gloucestershire GL10 3RF
Auditors	Xeinadin Audit Limited 8th Floor Becket House 36 Old Jewry London EC2R 8DD

Allan Webb Limited

Strategic Report for the Year Ended 30 June 2022

The directors present their strategic report for the year ended 30 June 2022.

Principal activity

The principal activity of the company is the provision of data driven support solutions focussed on technical publications, obsolescence management, supportability engineering and supply chain and logistics to a range of customers in the defence and commercial sectors.

Fair review of the business

The company continues to follow a clear strategy to deliver sustainable and profitable growth built around the provision of tech enabled services into markets with positive demand characteristics, in particular the UK defence sector. The directors are pleased with the strong financial performance of the business in the year ended 30 June 2022.

The key performance indicators for the year were as follows:

	2022	2021
	£'000	£'000
Turnover	17,750	12,165
Gross Profit	4,362	3,338
Reported EBITDA	2,361	1,237
Adjusted EBITDA*	2,495	1,386

* Adjusted EBITDA is calculated as EBITDA before exceptional and non-recurring items.

The directors are expecting continued strong growth in the current financial year underpinned by a number of strategic multi-year contracts. The company is well placed to capitalise on the significant opportunities it faces within its core defence market, particularly in light of the current geopolitical climate and the UK Government's desire to support and maintain sovereign national security capabilities.

Principal risks and uncertainties

The principal risks relate to market demand, although there are no indicators to suggest that future demand will diminish and is, in fact, expected to expand.

The company considers working capital management, particularly cash flow to be the key management of the company. By monitoring cash flow as part of its day to day control procedures, we are confident that no liquidity risk should arise based on regular operations.

Approved and authorised by the Board on 6 December 2022 and signed on its behalf by:

S M Rigsby
Director

Allan Webb Limited

Directors' Report for the Year Ended 30 June 2022

The directors present their report and the financial statements for the year ended 30 June 2022.

Directors of the company

The directors who held office during the year were as follows:

S M Rigsby

R J Lipington

J C Hardcastle

G D Jones

I J Hayes

E M Webb

M R Lewis (ceased 22 February 2022)

Dividends -

Final dividends paid 1 July 2022 for the year ended 30 June 2021 was £1,035,397 (2021 - £1,564,125).

Financial instruments

Objectives and policies

The company's operation is exposed to a variety of financial risks that includes the effect of changes in credit risks, liquidity risks and interest rates risks.

The company has in place a risk management programme that seeks to limit the possible adverse effects on financial performance by monitoring levels of cash. The monitoring of financial risk management is the responsibility of the board of directors.

Price risk, credit risk, liquidity risk and cash flow risk

Price risk

Expenditure incurred by the company is authorised by management in order to ensure that goods and services are not obtained at a higher price than necessary.

Credit risk-

The company has implemented policies that require appropriate credit checks on potential customers before new accounts are accepted and continually monitors the credit arrangement of existing customers.

Liquidity cash flow risk-

The company maintains large credit balances on its bank accounts to ensure there are sufficient funds for operations.

Interest rate risk-

The company has interest bearing assets. Interest bearing assets include only cash balances that earn interest at a floating rate.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Allan Webb Limited

Directors' Report for the Year Ended 30 June 2022

Reappointment of Auditors

With the significant growth in the Company, the Board of Directors has taken the decision to review the appointment of auditors for the next financial year within the next three months.

Approved and authorised by the Board on 6 December 2022 and signed on its behalf by:

S M Rigsby

Director

Allan Webb Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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.

Allan Webb Limited

Independent Auditor's Report to the Members of Allan Webb Limited

Opinion

We have audited the financial statements of Allan Webb Limited (the 'company') for the year ended 30 June 2022, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, 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 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 30 June 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 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The directors are responsible for the other information. The other information comprises the information 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.

Allan Webb Limited

Independent Auditor's Report to the Members of Allan Webb Limited

Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 our 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 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, 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 5], 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 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.

Allan Webb Limited

Independent Auditor's Report to the Members of Allan Webb Limited

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:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.

- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include health and safety legislation, FCA legislation, GDPR.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

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.

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.

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a

- basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Allan Webb Limited

Independent Auditor's Report to the Members of Allan Webb Limited

Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company audit. We remain solely responsible for our audit opinion.

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

Use of our report

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

John David Lee BA FCA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited

8th Floor

Becket House

36 Old Jewry

London

EC2R 8DD

6 December 2022

Allan Webb Limited

Profit and Loss Account for the Year Ended 30 June 2022

	Note	2022 £	2021 £
Turnover	<u>3</u>	17,749,798	12,165,235
Cost of sales		<u>(13,387,907)</u>	<u>(8,827,720)</u>
Gross profit		4,361,891	3,337,515
Distribution costs		(177,535)	(75,725)
Administrative expenses		(1,967,810)	(2,147,922)
Other operating income	<u>4</u>	<u>18,161</u>	<u>32,247</u>
Operating profit	<u>6</u>	2,234,707	1,146,115
Other interest receivable and similar income	<u>7</u>	<u>50,432</u>	<u>30,522</u>
Profit before tax		2,285,139	1,176,637
Tax on profit	<u>11</u>	<u>(322,248)</u>	<u>(26,147)</u>
Profit for the financial year		<u><u>1,962,891</u></u>	<u><u>1,150,490</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Allan Webb Limited

Statement of Comprehensive Income for the Year Ended 30 June 2022

	2022	2021
	£	£
Profit for the year	1,962,891	1,150,490
Deficit on revaluation of other assets	-	(7,390)
Total comprehensive income for the year	<u>1,962,891</u>	<u>1,143,100</u>

Allan Webb Limited

(Registration number: 01780818)

Balance Sheet as at 30 June 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	<u>12</u>	37,500	52,500
Tangible assets	<u>13</u>	264,124	288,814
Other financial assets	<u>14</u>	911,456	981,112
		<u>1,213,080</u>	<u>1,322,426</u>
Current assets			
Stocks	<u>15</u>	-	1,050
Debtors	<u>16</u>	3,268,670	2,580,847
Cash at bank and in hand		<u>3,252,766</u>	<u>1,754,044</u>
		6,521,436	4,335,941
Creditors: Amounts falling due within one year	<u>18</u>	<u>(3,927,164)</u>	<u>(2,649,615)</u>
Net current assets		<u>2,594,272</u>	<u>1,686,326</u>
Total assets less current liabilities		3,807,352	3,008,752
Provisions for liabilities	<u>19</u>	<u>(39,067)</u>	<u>(57,192)</u>
Net assets		<u><u>3,768,285</u></u>	<u><u>2,951,560</u></u>
Capital and reserves			
Called up share capital		1,236	1,236
Share premium reserve		408,269	408,269
Capital redemption reserve		35	35
Revaluation reserve		(79,264)	31,505
Retained earnings		<u>3,438,009</u>	<u>2,510,515</u>
Shareholders' funds		<u><u>3,768,285</u></u>	<u><u>2,951,560</u></u>

Approved and authorised by the Board on 6 December 2022 and signed on its behalf by:

R J Lipington
Director

Allan Webb Limited

Statement of Changes in Equity for the Year Ended 30 June 2022

	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £
At 1 July 2021	1,236	408,269	35	31,505
Prior period adjustment	-	-	-	(110,769)
At 1 July 2021 (As restated)	1,236	408,269	35	(79,264)
Profit for the year	-	-	-	-
Dividends	-	-	-	-
At 30 June 2022	1,236	408,269	35	(79,264)
			Retained earnings £	Total £
At 1 July 2021			2,510,515	2,951,560
Prior period adjustment			-	(110,769)
At 1 July 2021 (As restated)			2,510,515	2,840,791
Profit for the year			1,962,891	1,962,891
Dividends			(1,035,397)	(1,035,397)
At 30 June 2022			3,438,009	3,768,285
	Share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £
At 1 July 2020	1,191	232,349	-	(171,539)
Prior period adjustment	-	-	-	210,434
Profit for the year	-	-	-	-
Other comprehensive income	-	-	-	(7,390)
Total comprehensive income	-	-	-	(7,390)
Dividends	-	-	-	-
New share capital subscribed	45	175,920	-	-
Purchase of own share capital	-	-	-	-
Other capital redemption reserve movements	-	-	35	-
At 30 June 2021	1,236	408,269	35	31,505

Allan Webb Limited

Statement of Changes in Equity for the Year Ended 30 June 2022

	Retained earnings £	Total £
At 1 July 2020	3,157,022	3,219,023
Prior period adjustment	(43,466)	166,968
Profit for the year	1,150,490	1,150,490
Other comprehensive income	-	(7,390)
Total comprehensive income	1,150,490	1,143,100
Dividends	(1,564,125)	(1,564,125)
New share capital subscribed	-	175,965
Purchase of own share capital	(189,406)	(189,406)
Other capital redemption reserve movements	-	35
At 30 June 2021	2,510,515	2,951,560

Allan Webb Limited

Statement of Cash Flows for the Year Ended 30 June 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the year		1,962,891	1,150,490
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>6</u>	145,545	123,925
Profit on disposal of tangible assets	<u>5</u>	(788)	(725)
Loss from disposals of investments	<u>5</u>	-	144,079
Finance income	<u>7</u>	(50,432)	(30,522)
Income tax expense	<u>11</u>	322,248	26,147
		<u>2,379,464</u>	<u>1,413,394</u>
Working capital adjustments			
Decrease in stocks	<u>15</u>	1,050	500
Increase in trade debtors	<u>16</u>	(687,821)	(323,064)
Increase/(decrease) in trade creditors	<u>18</u>	972,994	(795,349)
Cash generated from operations		2,665,687	295,481
Income taxes paid	<u>11</u>	(28,429)	(131,745)
Net cash flow from operating activities		<u>2,637,258</u>	<u>163,736</u>
Cash flows from investing activities			
Interest received	<u>7</u>	1,930	2,790
Acquisitions of tangible assets		(106,291)	(142,708)
Proceeds from sale of tangible assets		1,223	725
Acquisition of intangible assets	<u>12</u>	-	(60,000)
Dividend income from financial assets	<u>7</u>	48,502	27,732
FA investment - listed other shares additions		(48,503)	(942,217)
Disposal of shares		-	942,217
Net cash flows from investing activities		<u>(103,139)</u>	<u>(171,461)</u>
Cash flows from financing activities			
Proceeds from issue of ordinary shares, net of issue costs		-	175,965
Payments for purchase of own shares		-	(189,371)
Dividends paid	<u>23</u>	(1,035,397)	(1,564,125)
Net cash flows from financing activities		<u>(1,035,397)</u>	<u>(1,577,531)</u>
Net increase/(decrease) in cash and cash equivalents		1,498,722	(1,585,256)
Cash and cash equivalents at 1 July		<u>1,754,044</u>	<u>3,339,300</u>
Cash and cash equivalents at 30 June		<u><u>3,252,766</u></u>	<u><u>1,754,044</u></u>

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

Red Lodge
Bonds Mill
Stonehouse
Gloucestershire
GL10 3RF

These financial statements were authorised for issue by the Board on 6 December 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared 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'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Functional currency-

The financial statements are prepared in sterling £ which is the functional currency of the company.

Going concern

After reviewing the company's forecast and projections, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

Key sources of estimation uncertainty

The preparation of the financial statements of the company requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of management, there are no areas of judgement or key sources of estimation uncertainty that have a significant effect on the financial statements of the company.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

The company always recognised revenue in its accounts upon raising of a customer's invoice. However as the company now has contracts with quarterly invoicing and long cycles between milestone delivery and invoicing. The company has decided to align revenue with when the effort is expended, The business will therefore recognise revenue monthly for those contracts.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

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

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Impairment of fixed assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with the carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and impairment loss is recognised immediately in the profit and loss account.

If an impairment loss subsequently reverses, the carrying amount of the assets is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the assets in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss account.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Plant and equipment	Years 1& 5 -12.5% on cost and Years 2,3 & 4 - 25% on cost
Motor vehicles	25% on cost

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Training materials	Amortised over 4 years

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

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

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

3 Turnover

The analysis of the company's revenue for the year from continuing operations is as follows:

	2022 £	2021 £
Sale of goods	17,749,798	12,165,235

The analysis of the company's turnover for the year by market is as follows:

	2022 £	2021 £
Sale of goods, UK	17,749,798	12,165,235

4 Other operating income

The analysis of the company's other operating income for the year is as follows:

	2022 £	2021 £
Miscellaneous other operating income	18,161	32,247

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

5 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2022	2021
	£	£
Gain/loss on disposal of property, plant and equipment	788	725
Gain/loss from disposals of investments	-	(144,079)
	<u>788</u>	<u>(143,354)</u>

6 Operating profit

Arrived at after charging/(crediting)

	2022	2021
	£	£
Depreciation expense	130,545	116,425
Amortisation expense	15,000	7,500
Profit on disposal of property, plant and equipment	<u>(788)</u>	<u>(725)</u>

7 Other interest receivable and similar income

	2022	2021
	£	£
Interest income on bank deposits	1,930	2,790
Dividend income from financial assets	<u>48,502</u>	<u>27,732</u>
	<u>50,432</u>	<u>30,522</u>

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2022	2021
	£	£
Wages and salaries	11,932,303	8,371,156
Social security costs	1,136,369	919,905
Other short-term employee benefits	19,507	14,860
Pension costs, defined contribution scheme	<u>342,066</u>	<u>376,617</u>
	<u>13,430,245</u>	<u>9,682,538</u>

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows:

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

	2022	2021
	No.	No.
Administration and support	33	31
Sales	8	9
Other departments	174	125
	<u>215</u>	<u>165</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2022	2021
	£	£
Remuneration	1,010,651	1,153,272
Contributions paid to money purchase schemes	104,097	180,554
Compensation for loss of office	-	55,061
	<u>1,114,748</u>	<u>1,388,887</u>

In respect of the highest paid director:

	2022	2021
	£	£
Remuneration	305,749	205,860
Company contributions to money purchase pension schemes	8,434	6,181

10 Auditors' remuneration

	2022	2021
	£	£
Audit of the financial statements	<u>10,000</u>	<u>9,200</u>

11 Taxation

Tax charged/(credited) in the profit and loss account

	2022	2021
	£	£
Current taxation		
UK corporation tax	332,984	28,429
Deferred taxation		
Arising from origination and reversal of timing differences	<u>(10,736)</u>	<u>(2,282)</u>
Tax expense in the income statement	<u>322,248</u>	<u>26,147</u>

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
Profit before tax	<u>2,285,139</u>	<u>1,176,637</u>
Corporation tax at standard rate	434,176	223,561
Effect of expense not deductible in determining taxable profit (tax loss)	-	27,236
Tax increase/(decrease) from effect of capital allowances and depreciation	735	(9,796)
Tax decrease from other short-term timing differences	(10,736)	(2,282)
Tax decrease from effect of dividends from UK companies	(9,215)	(5,269)
Tax decrease from effect of adjustment in research and development tax credit	<u>(92,712)</u>	<u>(207,303)</u>
Total tax charge	<u>322,248</u>	<u>26,147</u>

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

12 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
At 1 July 2021	60,000	60,000
At 30 June 2022	60,000	60,000
Amortisation		
At 1 July 2021	7,500	7,500
Amortisation charge	15,000	15,000
At 30 June 2022	22,500	22,500
Carrying amount		
At 30 June 2022	37,500	37,500
At 30 June 2021	52,500	52,500

13 Tangible assets

	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation			
At 1 July 2021	953,562	15,477	969,039
Additions	106,291	-	106,291
Disposals	(17,386)	-	(17,386)
At 30 June 2022	1,042,467	15,477	1,057,944
Depreciation			
At 1 July 2021	664,748	15,477	680,225
Charge for the year	130,546	-	130,546
Eliminated on disposal	(16,951)	-	(16,951)
At 30 June 2022	778,343	15,477	793,820
Carrying amount			
At 30 June 2022	264,124	-	264,124
At 30 June 2021	288,814	-	288,814

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

14 Other financial assets (current and non-current)

	Financial assets at fair value through profit and loss £	Total £
Non-current financial assets		
Cost or valuation		
At 1 July 2021	981,112	981,112
Fair value adjustments	(79,264)	(79,264)
Additions	48,503	48,503
	<hr/>	<hr/>
At 30 June 2022	950,351	950,351
	<hr/>	<hr/>
Impairment		
Losses made in the period	38,895	38,895
	<hr/>	<hr/>
At 30 June 2022	38,895	38,895
	<hr/>	<hr/>
Carrying amount		
At 30 June 2022	911,456	911,456
	<hr/> <hr/>	<hr/> <hr/>

15 Stocks

	2022 £	2021 £
Other inventories	-	1,050
	<hr/> <hr/>	<hr/> <hr/>

16 Debtors

	2022 £	2021 £
Current		
Trade debtors	2,850,016	2,239,557
Other debtors	2,349	4,263
Prepayments	416,305	337,027
	<hr/>	<hr/>
	3,268,670	2,580,847
	<hr/> <hr/>	<hr/> <hr/>

17 Cash and cash equivalents

	2022 £	2021 £
Cash at bank	2,216,023	753,618
Short-term deposits	1,036,743	1,000,426
	<hr/>	<hr/>
	3,252,766	1,754,044
	<hr/> <hr/>	<hr/> <hr/>

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

18 Creditors

	Note	2022 £	2021 £
Due within one year			
Trade creditors		484,791	455,810
Social security and other taxes		943,034	1,210,297
Outstanding defined contribution pension costs		54,428	39,928
Accrued expenses		2,111,907	915,131
Income tax liability	11	333,004	28,449
		<u>3,927,164</u>	<u>2,649,615</u>

19 Provisions for liabilities

	Deferred tax £	Total £
At 1 July 2021	57,192	57,192
Increase (decrease) in existing provisions	(10,735)	(10,735)
Unused provision reversed	<u>(7,390)</u>	<u>(7,390)</u>
At 30 June 2022	<u>39,067</u>	<u>39,067</u>

20 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £342,066 (2021 - £376,617). Contributions totalling £54,428 (2021 - £39,928) were payable to the scheme at the end of the year and are included in creditors.

21 Share capital

Allotted, called up and fully paid shares

	2022 No.	£	2021 No.	£
Ordinary of £0.10 each	12,360	1,236	12,360	1,236
	<u>12,360</u>	<u>1,236</u>	<u>12,360</u>	<u>1,236</u>

New ordinary shares issued in the year:

In the previous year, the company issued 800 ordinary shares at a nominal value of £0.10p per share. There were no new shares issued in the year under review.

Purchase of its own shares by the company.

In the previous year, the company purchased 35 shares for a purchase price of £189,405.. There were no purchased of shares in the year under review.

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

22 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	120,095	124,240
Later than one year and not later than five years	458,880	469,880
Later than five years	289,969	391,364
	<u>868,944</u>	<u>985,484</u>

23 Dividends

	2022 £	2021 £
Final dividend of £83.77 (2021 - £125.00) per ordinary share	1,035,397	1,564,125
	<u>1,035,397</u>	<u>1,564,125</u>

24 Related party transactions

Transactions with directors

Dividends paid to directors

	2022 £	2021 £
E M Webb		
Dividends	331,059	494,119
	<u>331,059</u>	<u>494,119</u>
J C Hardcastle		
Dividends	102,199	152,537
	<u>102,199</u>	<u>152,537</u>
G Jones		
Dividends	60,314	90,022
	<u>60,314</u>	<u>90,022</u>
S M Rigsby		
Dividends	92,147	137,533
	<u>92,147</u>	<u>137,533</u>
M R Lewis		
Dividends	60,314	90,022
	<u>60,314</u>	<u>90,022</u>
R J Lipington		
Dividends	41,885	62,515
	<u>41,885</u>	<u>62,515</u>
I J Hayes		
Dividends	25,131	37,509
	<u>25,131</u>	<u>37,509</u>

Allan Webb Limited

Notes to the Financial Statements for the Year Ended 30 June 2022

M W Copp

Dividends	-	18,755
-----------	---	--------

	<hr/> <hr/>	<hr/> <hr/>
--	-------------	-------------

25 Non adjusting events after the financial period

1) Quoted investments -

On the 8 August 2022, the portfolio of quoted investments was sold for £944,409

26 Ultimate controlling party

In the opinion of the directors, there were no ultimate controlling party for the current year and the previous year.

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.