

REGISTERED NUMBER: 03039016 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

FOR

WOZAIR LIMITED



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FOR THE YEAR ENDED 31 DECEMBER 2020**

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WOZAIR LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2020

DIRECTORS: S D Azzopardi
P M Azzopardi
C R Cherrington
S J Collins
H A Collins
Y Lavaux
A J Amos

SECRETARY: S J Collins

REGISTERED OFFICE: 32 Grosvenor Road
Gillingham Business Park
GILLINGHAM
Kent
ME8 0SA

REGISTERED NUMBER: 03039016 (England and Wales)

AUDITORS: McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their strategic report for the year ended 31 December 2020.

REVIEW OF BUSINESS

With the dramatic effects on business of Coronavirus, 2020 was an extraordinary and particularly challenging year for the company. Welfare of our staff and compliance with local imposed rules and regulations was of prime importance, whilst continuing to provide a service to our customers.

2020 marked an important milestone for Wozair being 25 years since starting as an independent business in 1995. Company turnover was adversely impacted by Covonavirus with significant project delays and postponements reducing turnover to £11,573,157 (2019: £13,224,575) and Gross Margin improving slightly to 35.7%.

The company made a profit after investment income of £147,189 (2019: loss after investment income of £1,493,254). This is after charging £188,260 of withholding tax to the P&L which will be recovered against future taxation payable.

The impact on the company due to Coronavirus was felt at all worldwide locations. At the start of the first UK lockdown in March 2020 the Gillingham factory was closed for a period of 3 weeks while COVID secure arrangements were put in place. Factory staff returned on a split shift basis while office staff mainly worked at home. Although these arrangements enabled projects in hand to be progressed, efficiency and productivity was affected.

There were also issues with delays in the supply chain and customers inspecting completed equipment. With customers working at home the placement of projects was postponed and delayed, impacting on turnover. Marketing and sales activity was severely impacted during 2020 with trade exhibitions and face to face visits with customers cancelled.

In order to assist with working capital affected by the pandemic Wozair secured a CBILs loan from HSBC that has been substantially repaid in 2021.

The company continued to develop synergies with Thermoplant Offshore Services and draw upon their expertise with specialist refrigeration and controls enabling Wozair to successfully execute a number of major chiller and package projects in the Middle East. It is anticipated that this association will bring further benefits for both organisations in the future.

During the year the company was involved in a group restructure which resulted in a new ultimate parent company, Wozair Group Limited. The use of the merger accounting method has been used in order to bring in the reserves of the subsidiary companies, this have been recognised within a merger reserve in Wozair Group Limited.

The group restructure resulted in a demerger of Achilles Properties Limited from the old group, Wozair Limited. Outstanding loans of £1.3m have been written off and included as exceptional items in the year. The Veotec businesses were acquired in 2017 and their trade was transferred to Wozair Limited at the end of 2019. Despite Veotec products continuing to provide a substantial contribution to Wozair Limited £550k of loans due from Veotec companies were written off in 2020 and are included as exceptional items. A further £135k of investment in Veotec Holdings Limited and Veotec Group Limited was also written off in the year.

During the year the Wozair Board was strengthened by the recruitment of an experienced Group Financial Director.

Despite world economies slowing in 2020 due to Coronavirus for 2021 and beyond there are a number of significant Oil and Gas, Offshore Renewables and Nuclear projects that have been sanctioned or are in the pipeline that will provide significant prospects for Wozair early in 2022.

We continue to drive efficiency improvements through the business with engineering, systems, manufacturing and supply chain, whilst developing new and innovative products and services in association with our strategic partners.

Wozair continues to focus on market diversification as well as seeking opportunities for suitable acquisitions and alliances that can deliver value.

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors continue to monitor performance KPIs to mitigate risk and identify new opportunities as they arise. The company has established a risk and financial management framework whose primary objectives are to protect the company from events that hinder the company's performance objectives.

COMPETITIVE RISKS

The objectives aim to limit undue counterparty exposure, ensure sufficient working capital exists and monitor the management of risk at a business unit level.

EXPOSURE TO CREDIT, LIQUIDITY AND CASH FLOW RISK

Wozair adopts policies aimed at minimizing losses due to other parties failing to discharge an obligation and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

Liquidity risk is minimized by managing cash generation by our operations and applying cash collection targets. cash flow risk is managed by careful negotiation of terms with customers and suppliers.

KEY PERFORMANCE INDICATORS

The Directors consider that financial key performance indicators for the company are profit before tax, cash generation and turnover.

THE WITHDRAWAL OF THE UK FROM THE EUROPEAN UNION

The UK ended the Implementation Period of the withdrawal from the EU on 31 December 2020. Although there since been some early interruption of the supply chain from Europe the business has adopted and modified operating procedures to comply with the new rules and regulations.

CORONAVIRUS AND THE COVID-19 PANDEMIC

As at the date of this report the impact of Coronavirus has been managed by the company in the UK and at its overseas locations to comply with local regulations and to protect the health and safety of personnel in the performance of their duties and to ensure continuity of operations.

Despite the negative impact of Coronavirus on trading conditions during 2020 it is anticipated that the company will generate sufficient revenue to continue to meet its operational needs as well as its financial and regulatory obligations.

ON BEHALF OF THE BOARD:



P M Azzopardi - Director

21 December 2021

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the design and supply of specialist heating, ventilation and air conditioning equipment and systems.

DIVIDENDS

An interim dividend of £1 per share was paid on 10 March 2020. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 December 2020 will be £17,002.

Which was required as part of the demerger of Achilles Properties Limited from the Group in March 2020.

DIRECTORS

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

S D Azzopardi
P M Azzopardi
C R Cherrington
S J Collins
H A Collins
Y Lavaux

Other changes in directors holding office are as follows:

A J Amos was appointed as a director after 31 December 2020 but prior to the date of this report.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The directors benefit from a qualifying indemnity provision in the form permitted by Section 234 of the Companies Act 2006 in respect of certain third party actions against directors. No claim or notice of claim in respect of these indemnities has been received in the year. The qualifying indemnity provision was in force throughout the financial year and up to the date of approval of the Directors' Report.

GOING CONCERN

The financial statements have been prepared on a going concern basis.

The outbreak of COVID-19, which has taken place during the accounting period, has resulted in a pandemic causing extensive disruption across the globe. The UK Government enforced a lockdown from 23 March 2020 and after gradually easing measures enforced two further lockdowns on 5 November 2020 and 4 January 2021. The company's activities, as with many businesses, have been impacted, however reserves generated in previous years as well as continued trade at a reduced capacity have been sufficient to enable the company to continue through the lockdowns.

After the end of the financial year, no effects on the net assets, financial position and results of operations of the 2020 financial statements are discernible as a result of the Coronavirus, which is increasingly developing and spreading as a pandemic worldwide.

However, the company assumes that the course of business in 2021 will in all probability be affected by the various restrictions from the Coronavirus pandemic and the temporary reductions in production in all industries.

At the time of preparation of the 2020 annual financial statements, despite the continued impact of the Coronavirus the outlook for the 2021 results are significantly improved over those for 2020. The achievement of being awarded the Fit 4 Nuclear accreditation in August 2021 together with activity within our key strategic markets of Nuclear, Oil and Gas and Renewables have provided comfort that the going concern basis is appropriate for the preparation of the 2020 financial results for the company.

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020

DISCLOSURE IN THE STRATEGIC REPORT

As permitted by Paragraph 1A of Schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the directors' report have been omitted as they are included in the strategic report on pages 2 to 4. These matters relate to the financial risk management objectives and future developments.

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). 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.

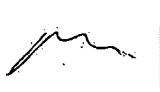
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, McCabe Ford Williams, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



P M Azzopardi - Director

21 December 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WOZAIR LIMITED

Opinion

We have audited the financial statements of Wozair Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other 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 December 2020 and of its loss 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.

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
WOZAIR 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 five, 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WOZAIR LIMITED

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and our experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including, but not limited to, the Companies Act (2006), UK tax legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions such as recharges from the parent.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the relevant regulator, where applicable.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees' and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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
WOZAIR 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.



Clair Rayner FCA DChA (Senior Statutory Auditor)
for and on behalf of McCabe Ford Williams
Statutory Auditors and Chartered Accountants
Bank Chambers
1 Central Avenue
Sittingbourne
Kent
ME10 4AE

21 December 2021

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	31.12.20		31.12.19	
		£	£	£	£
TURNOVER	4		11,573,157		13,224,575
Cost of sales			7,442,516		8,561,379
GROSS PROFIT			4,130,641		4,663,196
Administrative expenses			6,627,572		6,408,749
			(2,496,931)		(1,745,553)
Other operating income			619,468		231,223
OPERATING LOSS	6		(1,877,463)		(1,514,330)
Income from fixed asset investments		2,000,000		-	
Interest receivable and similar income		24,652		21,076	
			2,024,652		21,076
Amounts written off investments			147,189		(1,493,254)
Gain/loss on revaluation of investments	7	1,851,503		-	
		135,674		-	
			1,987,177		-
			(1,839,988)		(1,493,254)
Interest payable and similar expenses	8		26,414		12,790
LOSS BEFORE TAXATION			(1,866,402)		(1,506,044)
Tax on loss	9		(688,026)		(64,410)
LOSS FOR THE FINANCIAL YEAR			(1,178,376)		(1,441,634)

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31.12.20 £	31.12.19 £
LOSS FOR THE YEAR		(1,178,376)	(1,441,634)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(1,178,376)</u>	<u>(1,441,634)</u>

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2020

	Notes	31.12.20		31.12.19	
		£	£	£	£
FIXED ASSETS					
Intangible assets	11		510,663		589,226
Tangible assets	12		1,599,500		1,713,530
Investments	13		3,652,175		3,787,849
			5,762,338		6,090,605
CURRENT ASSETS					
Stocks	14	782,972		646,840	
Debtors	15	12,960,473		12,870,702	
Cash at bank and in hand		221,819		1,153,605	
			13,965,264		14,671,147
CREDITORS					
Amounts falling due within one year	16	8,362,151		9,107,804	
NET CURRENT ASSETS					
			5,603,113		5,563,343
TOTAL ASSETS LESS CURRENT LIABILITIES					
			11,365,451		11,653,948
CREDITORS					
Amounts falling due after more than one year	17		1,011,986		105,105
NET ASSETS					
			10,353,465		11,548,843
CAPITAL AND RESERVES					
Called up share capital	20		17,000		17,000
Share premium	21		128,750		128,750
Capital redemption reserve	21		4,250		4,250
Foreign exchange reserve	21		20,970		(4,359)
Retained earnings	21		10,182,495		11,403,202
SHAREHOLDERS' FUNDS					
			10,353,465		11,548,843

The financial statements were approved by the Board of Directors and authorised for issue on 21 December 2021 and were signed on its behalf by:



P M Azzopardi - Director

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2019	17,000	12,836,618	128,750
Changes in equity			
Total comprehensive income	-	(1,433,416)	-
Balance at 31 December 2019	<u>17,000</u>	<u>11,403,202</u>	<u>128,750</u>
Changes in equity			
Dividends	-	(17,002)	-
Total comprehensive income	-	(1,203,705)	-
Balance at 31 December 2020	<u><u>17,000</u></u>	<u><u>10,182,495</u></u>	<u><u>128,750</u></u>
	Capital redemption reserve £	Foreign exchange reserve £	Total equity £
Balance at 1 January 2019	4,250	3,859	12,990,477
Changes in equity			
Total comprehensive income	-	(8,218)	(1,441,634)
Balance at 31 December 2019	<u>4,250</u>	<u>(4,359)</u>	<u>11,548,843</u>
Changes in equity			
Dividends	-	-	(17,002)
Total comprehensive income	-	25,329	(1,178,376)
Balance at 31 December 2020	<u><u>4,250</u></u>	<u><u>20,970</u></u>	<u><u>10,353,465</u></u>

The notes form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	1	(4,492,773)	87,980
Interest paid		(26,414)	(12,790)
Prior year tax overprovision		80,859	-
Taxation refund provision		607,167	-
Net cash from operating activities		<u>(3,831,161)</u>	<u>75,190</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(166,435)	(76,547)
Sale of tangible fixed assets		13,517	126,472
Interest received		24,652	21,076
Dividends received		2,000,000	-
Net cash from investing activities		<u>1,871,734</u>	<u>71,001</u>
Cash flows from financing activities			
New loans in year		1,100,000	-
Loan repayments in year		(55,357)	(285,898)
Equity dividends paid		(17,002)	-
Net cash from financing activities		<u>1,027,641</u>	<u>(285,898)</u>
Decrease in cash and cash equivalents		<u>(931,786)</u>	<u>(139,707)</u>
Cash and cash equivalents at beginning of year	2	1,153,605	1,293,312
Cash and cash equivalents at end of year	2	<u>221,819</u>	<u>1,153,605</u>

The notes form part of these financial statements

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS		
	31.12.20	31.12.19
	£	£
Loss before taxation	(1,866,402)	(1,506,044)
Depreciation charges	354,603	276,670
Profit on disposal of fixed assets	(9,092)	(35,998)
Loss on revaluation of fixed assets	135,674	-
Deferred tax asset movement	-	32,444
Finance costs	26,414	12,790
Finance income	(2,024,652)	(21,076)
	<u>(3,383,455)</u>	<u>(1,241,214)</u>
Increase in stocks	(136,132)	(37,528)
(Increase)/decrease in trade and other debtors	(145,513)	1,215,091
(Decrease)/increase in trade and other creditors	(827,673)	151,631
	<u>(4,492,773)</u>	<u>87,980</u>

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 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>221,819</u>	<u>1,153,605</u>

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	<u>1,153,605</u>	<u>1,293,312</u>

**NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.1.20 £	Cash flow £	At 31.12.20 £
Net cash			
Cash at bank and in hand	1,153,605	(931,786)	221,819
	<u>1,153,605</u>	<u>(931,786)</u>	<u>221,819</u>
Debt			
Debts falling due within 1 year	(236,048)	(137,762)	(373,810)
Debts falling due after 1 year	(105,105)	(906,881)	(1,011,986)
	<u>(341,153)</u>	<u>(1,044,643)</u>	<u>(1,385,796)</u>
Total	<u>812,452</u>	<u>(1,976,429)</u>	<u>(1,163,977)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Wozair 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.

The presentation currency of the financial statements is the Pound Sterling (£).

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.

The outbreak of COVID-19, which has taken place during the accounting period, has resulted in a pandemic causing extensive disruption across the globe. The UK Government enforced a lockdown from 23 March 2020 and after gradually easing measures enforced two further lockdowns on 5 November 2020 and 4 January 2021. The company's activities, as with many businesses, have been impacted, however reserves generated in previous years as well as continued trade at a reduced capacity have been sufficient to enable the company to continue through the lockdowns. After the end of the financial year, no effects on the net assets, financial position and results of operations of the 2020 financial statements are discernible as a result of the Coronavirus, which is increasingly developing and spreading as a pandemic worldwide.

However, the company assumes that the course of business in 2021 will in all probability be affected by the various restrictions from the Coronavirus pandemic and the temporary reductions in production in all industries.

At the time of preparation of the 2020 annual financial statements, despite the continued impact of the Coronavirus the outlook for the 2021 results are significantly improved over those for 2020. The achievement of being awarded the Fit 4 Nuclear accreditation in August 2021 together with activity within our key strategic markets of Nuclear, Oil and Gas and Renewables have provided comfort that the going concern basis is appropriate for the preparation of the 2020 financial results for the Company.

The company expects to continue to meet its operational needs as well as its financial and regulatory obligations.

The directors consider the reserves and cash resources of the company along with known future contracts to be sufficient to allow the company to continue trading for the foreseeable future. Accordingly the directors consider it appropriate to adopt the going concern basis in preparing the accounts.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. **ACCOUNTING POLICIES - continued**

Significant judgements and estimates

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period to which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the accounting policies

Contract values

The company has entered into a number of contracts in the year. When the outcome of a contract can be estimated reliably, the company has recognised contract revenue and contract costs associated with the contract as revenue and expenses respectively by reference to the stage of completion of the contract activity at the end of the reporting period (often referred to as the percentage of completion method).

Reliable estimation of the outcome requires reliable estimates of the stage of completion, future costs and collectability of billings. This is determined by those members of the delivery team who are the most familiar with the work, and draws on comparisons between forecast costs to complete vs actual costs to complete which are continually updated in order to improve accuracy.

Goodwill and intangible assets

On acquisition, the company determines a reliable estimate of the useful life of goodwill and intangible assets based upon factors such as the expected use of the acquired business, forecasts of expected future results and cash flows, and any legal, regulatory or contractual provisions that can limit useful life. At each subsequent reporting date the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the useful life of goodwill and intangible assets.

Key sources of estimation uncertainty

Aside from those stated above, the key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are the depreciation charges that are calculated with reference to the useful economic life of fixed assets.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. ACCOUNTING POLICIES - continued

Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the 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 the stage of completion of the contract when all of the following conditions are satisfied:

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

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the company's share of its identifiable assets and liabilities of the acquiree at the date of the acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life of 10 years.

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 DECEMBER 2020

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.

Improvements to property	- over remaining term of lease
Plant and machinery	- straight line over 6 years
Fixtures and fittings	- straight line over 4 years
Motor vehicles	- straight line over 4 years
Computer equipment	- straight line over 3 years

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company, the carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

The assets' residual values, useful lives and depreciation methods are reviewed and adjusted prospectively if appropriate, or if there is an indication of a significant charge since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

Government grants

During the year the company received the following revenue based grants:

- Coronavirus Job Retention Scheme (CJRS) to cover a portion of an employee's wages who was furloughed due to the coronavirus pandemic. The amount received totalled £171,662 and has been included in other income.
- The company applied for the Coronavirus Business Interruption Loan Scheme (CBILS) for £1,100,000 to support the business during the COVID-19 pandemic. As the Government guarantees a proportion of the loan and the interest due within the first year is paid by the Government, an amount of £22,000 has been recognised to reflect this and has been included in other income.

Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES - continued

Financial instruments

The company enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

a) Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

c) Impairment of financial assets

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in profit or loss.

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 variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

d) Trade and other creditors

Debt instruments like loans and other accounts payable are initially measured at present value of the future payments and subsequently at amortised cost using the effective interest method. Debt instruments that are payable within one year, typically trade payables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an outright short-term loan not at market rate, the financial asset is measured, initially and subsequently, at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

3. ACCOUNTING POLICIES - continued

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Foreign currencies

Foreign currency transactions are translated into the functional currency, sterling, using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items are measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within 'other operating income'.

Operating leases: the company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. ACCOUNTING POLICIES - continued

**Pension costs and other post-retirement benefits
Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the company in independently administered funds.

Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Interest payable and similar expenses

Interest payable and similar expenses are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

4. TURNOVER

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

An analysis of turnover by geographical market is given below:

	31.12.20	31.12.19
	£	£
United Kingdom	3,315,948	4,903,500
Europe	1,998,802	982,258
Rest of the world	6,258,407	7,338,817
	<hr/>	<hr/>
	11,573,157	13,224,575
	<hr/> <hr/>	<hr/> <hr/>

5. EMPLOYEES AND DIRECTORS

	31.12.20	31.12.19
	£	£
Wages and salaries	4,563,812	4,291,482
Social security costs	439,450	453,449
Other pension costs	153,016	113,204
	<hr/>	<hr/>
	5,156,278	4,858,135
	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

5. EMPLOYEES AND DIRECTORS - continued

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

	31.12.20	31.12.19
Employees	124	123

	31.12.20	31.12.19
	£	£
Directors' remuneration	490,129	528,207

The number of directors to whom retirement benefits were accruing was as follows:

Defined benefit schemes	2	2
-------------------------	---	---

Information regarding the highest paid director is as follows:

	31.12.20	31.12.19
	£	£
Emoluments etc	132,433	135,766

The directors are considered to be Key Management personnel.

6. OPERATING LOSS

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

	31.12.20	31.12.19
	£	£
Plant hire	43,784	33,628
Depreciation - owned assets	276,040	278,123
Profit on disposal of fixed assets	(9,092)	(37,451)
Goodwill amortisation	78,563	-
Auditors remuneration	51,000	37,220
Foreign exchange differences	(25,329)	8,218
Research & development charged as an expense	36,223	68,679
Defined contribution pension cost	142,053	113,204
Withholding tax suffered	188,260	-

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. AMOUNTS WRITTEN OFF INVESTMENTS

	31.12.20	31.12.19
	£	£
Amounts w/o invs	<u>1,851,503</u>	<u>-</u>

The exceptional items relate to loans and intercompany balances owed to Wozair Ltd by the following connected parties:

- Veotec Limited (£452,945), a wholly owned subsidiary
- Veotec Holdings Limited (£101,887), a wholly owned subsidiary
- Achilles Properties Limited (£1,296,671), an associated company.

The balances have been deemed as non-recoverable and waived by Wozair Limited.

8. INTEREST PAYABLE AND SIMILAR EXPENSES

	31.12.20	31.12.19
	£	£
Loan interest	<u>26,414</u>	<u>12,790</u>

9. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	31.12.20	31.12.19
	£	£
Current tax:		
UK corporation tax	(688,026)	-
Deferred taxation	-	(64,410)
Tax on loss	<u>(688,026)</u>	<u>(64,410)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. TAXATION - continued

Reconciliation of total tax credit 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:

	31.12.20 £	31.12.19 £
Loss before tax	<u>(1,866,402)</u>	<u>(1,506,044)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(354,616)	(286,148)
Effects of:		
Expenses not deductible for tax purposes	37,804	-
Income not taxable for tax purposes	(380,000)	-
Depreciation in excess of capital allowances	45,261	-
Utilisation of tax losses	93,221	-
Adjustments to tax charge in respect of previous periods	(80,859)	(71,489)
Research and development tax rebate	(222,468)	-
Group relief	89,723	63,460
Tax losses not utilised	390,698	294,177
Deferred tax movement	-	(64,410)
Prior year claim for R&D tax credit	<u>(306,790)</u>	<u>-</u>
Total tax credit	<u>(688,026)</u>	<u>(64,410)</u>

10. DIVIDENDS

	31.12.20 £	31.12.19 £
Paid during the year	<u>17,002</u>	<u>-</u>

11. INTANGIBLE FIXED ASSETS

	Goodwill £
COST	
At 1 January 2020 and 31 December 2020	<u>589,226</u>
AMORTISATION	
Amortisation for year	<u>78,563</u>
At 31 December 2020	<u>78,563</u>
NET BOOK VALUE	
At 31 December 2020	<u>510,663</u>
At 31 December 2019	<u>589,226</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2020	1,460,427	1,346,345	170,324
Additions	-	103,118	2,249
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2020	1,460,427	1,449,463	172,573
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	166,602	1,095,016	170,324
Charge for year	11,716	165,527	811
Eliminated on disposal	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2020	178,318	1,260,543	171,135
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	1,282,109	188,920	1,438
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	1,293,825	251,329	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2020	404,987	251,570	3,633,653
Additions	54,562	6,506	166,435
Disposals	(39,600)	-	(39,600)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	419,949	258,076	3,760,488
	<hr/>	<hr/>	<hr/>
DEPRECIATION			
At 1 January 2020	267,364	220,817	1,920,123
Charge for year	81,912	16,074	276,040
Eliminated on disposal	(35,175)	-	(35,175)
	<hr/>	<hr/>	<hr/>
At 31 December 2020	314,101	236,891	2,160,988
	<hr/>	<hr/>	<hr/>
NET BOOK VALUE			
At 31 December 2020	105,848	21,185	1,599,500
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 December 2019	137,623	30,753	1,713,530
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020	3,787,849
Impairments	<u>(135,674)</u>
At 31 December 2020	<u>3,652,175</u>
NET BOOK VALUE	
At 31 December 2020	<u>3,652,175</u>
At 31 December 2019	<u>3,787,849</u>

The impairment was in respect of Veotec companies which were acquired in 2017. The Veotec trade was subsumed into Wozair Limited in September 2019 and has and continues to contribute positively to the results of Wozair Limited and the Group.

14. STOCKS

	31.12.20 £	31.12.19 £
Stocks	<u>782,972</u>	<u>646,840</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	5,584,511	3,040,710
Amounts owed by group undertakings	1,281,824	2,843,340
Other debtors	2,985	374,044
Associated company loan	739,734	200,000
VAT refund	1,425	215,995
Directors' Current Accounts	30,000	971,257
Corporation tax refund	606,897	238,966
Deferred tax asset	32,444	32,444
Prepayments and accrued income	4,680,653	4,953,946
	<u>12,960,473</u>	<u>12,870,702</u>

Amounts owed by group undertakings are unsecured, interest-free and repayable on demand.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans and overdrafts (see note 18)	373,810	236,048
Trade creditors	2,686,712	2,055,113
Amounts owed to group undertakings	4,372,776	5,917,816
Other creditors	51,383	43,967
Other taxes and PAYE	164,757	127,846
Accruals and deferred income	712,713	727,014
	<u>8,362,151</u>	<u>9,107,804</u>

Amounts owed by group undertakings are unsecured, interest-free and repayable on demand.

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.12.20	31.12.19
	£	£
Bank loans (see note 18)	<u>1,011,986</u>	<u>105,105</u>

The bank has a fixed and floating charge over the company's assets and a charge over any credit balance bank accounts.

18. LOANS

An analysis of the maturity of loans is given below:

	31.12.20	31.12.19
	£	£
Amounts falling due within one year or on demand:		
Bank loans - less than 1 yr	<u>373,810</u>	<u>236,048</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>241,986</u>	<u>105,105</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>660,000</u>	<u>-</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>110,000</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. LOANS - continued

Included within bank loans are the following:

- KCC Tiger Loan of £145,300 (2019: £145,300), repayable over 5 years. No interest is charged on the loan. During the year a 12 month extension was awarded on the repayment of the loan due to COVID-19.

- HSBC Term Loan of £140,496 (2019: £195,853), repayable over 6 years. Interest is charge at 2.34% over the Bank of England base rate. During the year the company took advantage of a 5 month repayment holiday due to COVID-19.

- Coronavirus Business Interruption Loan of £1,100,000 (2019: £Nil), repayable over 6 years. Interest is charged at 3.9% over the Bank of England base rate.

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.20	31.12.19
	£	£
Within one year	420,000	420,000
Between one and five years	1,680,000	1,681,156
In more than five years	1,645,000	2,063,178
	<u>3,745,000</u>	<u>4,164,334</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.20	31.12.19
			£	£
17,000	Ordinary	£1	<u>17,000</u>	<u>17,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

21. RESERVES

Share premium account

This reserve records the amount above the nominal value received for shares issued by the company. Share premium may only be utilised to write-off any expenses incurred or commissions paid on the issue of those shares, or to pay up new shares to be allotted to members as fully paid bonus shares.

Capital redemption reserve

This reserve records the nominal value of shares repurchased by the company.

Foreign exchange reserve

This reserve comprises translation differences arising from the translation of foreign currency transactions in to Pound Sterling.

Profit and loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

22. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £142,053 (2019: £113,204). Contributions totalling £15,757 (2019: £16,287) were payable to the fund at the balance sheet date and are included in creditors.

23. CONTINGENT LIABILITIES

The company's bankers have provided guarantees in favour of customers of the group, in relation to certain specific completed contracts, up to a maximum of £2,989,331 and \$42,605 respectively. The guarantees have defined expiry dates and historically no customer has ever claimed against a guarantee.

24. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

At the year end, loans due from directors were £30,000 (2019: £971,257). This is included in debtors. This was repaid on 20/04/2021.

At the year end, loans due from Wozair Energy Holdings Limited, a related party under common control were £328,400 (2019: £327,800).

At the year end, loans due from Thermoplant Offshore Services Limited, a related party under common control, were £Nil (2019: £200,000).

At the year end, loans due from Achilles Properties Limited, a related party under common control, were £411,334 (2019: £1,708,006).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

25. **ULTIMATE CONTROLLING PARTY**

The ultimate parent of the company is Wozair Group Limited, a company incorporated and registered in England. The company is included in the consolidated financial statements of Wozair Limited. The consolidated financial statements Wozair Limited may be obtained from 32 Grosvenor Road, Gillingham Business Park, Gillingham, Kent, ME8 0SA.

The directors do not consider there to be a single controlling party in either the current or the prior year.