

**Agenda Resource Management Limited**  
**Strategic Report, Report of the Directors and**  
**Financial Statements for the Year Ended 31st December 2020**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

**Contents of the Financial Statements  
for the year ended 31st December 2020**

	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Report of the Directors</b>	4
<b>Report of the Independent Auditors</b>	5
<b>Statement of Comprehensive Income</b>	9
<b>Balance Sheet</b>	10
<b>Statement of Changes in Equity</b>	11
<b>Cash Flow Statement</b>	12
<b>Notes to the Cash Flow Statement</b>	13
<b>Notes to the Financial Statements</b>	15

**Agenda Resource Management Limited**

**Company Information  
for the year ended 31st December 2020**

**DIRECTORS:** Mr P D Sanders  
Mr T A Sanders  
Mr R A Millard

**SECRETARY:** Mrs H F Sanders

**REGISTERED OFFICE:** Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**REGISTERED NUMBER:** 03295323 (England and Wales)

**AUDITORS:** Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

**Strategic Report  
for the year ended 31st December 2020**

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

**REVIEW OF BUSINESS**

The company is in its eighth year of full audit and this review is consistent with the size and nature of the business.

The company provides staffing and screening solutions and is organised into 3 core areas:

- Life Sciences - providing support to the Life Science sector, contract staffing, permanent recruitment and facilities management solutions.
- Screening - pre-employment screening for a wide range of clients, including Government, public and private sector organisations.
- Marketing & Communications - providing graphic design print, website design, e-marketing, event management and social media services.

2020 has been an extremely challenging year due to the negative impact of Covid-19. However, despite these external challenges, the business delivered an exceptional result. A reduction in profitability within the Screening, Recruitment and Contract staffing areas was partially mitigated by Consultancy associated with two new Facilities being won in Q4 2020.

Despite these challenges, the business delivered an Operating Profit of £0.6m which was the second-best performance ever - only 2019 delivered a higher result (an Operating Profit of £1m).

The success of the year has been the result of a clearly defined strategic path and an agile operating platform, meaning the potential of commercial opportunities have been fulfilled. We continue to work and devote our efforts to long-term growth and the execution of a 5-year strategic plan.

The business continues to be underpinned by our core values of Respect, Reputation and Responsibility and 2020 further championed our Great Place To Work initiative. Our people are at the core of everything we do and are intrinsic to the Agenda brand. Staff retention rates strengthened again in 2020. We are proud of our long-service employees as well as our commitment to invest heavily in new starters and supporting business growth.

The business adhered to the latest Government guidelines and ensured that any Covid-19 related impact on its employees was mitigated - it facilitated home working for its employees wherever possible and provided the necessary equipment to enable its employees to work efficiently. As a consequence of this, the business only utilised the Government's Furlough scheme on an infrequent / ad hoc basis.

The turnover of the company was as follows:

<b>2020</b>	<b>2019</b>
£9.7m	£12.4m

There has also been a decrease in staff numbers from 158 in 2019 to 142 in 2020 partially driven by the challenging environment as a consequence of Covid-19.

**Strategic Report  
for the year ended 31st December 2020**

**PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the company business and the execution of the company strategies are of course subject to a number of risks.

The key business risks affecting the company are considered to relate to competition and market risks in the company's key areas of operation, together with the ongoing threat presented by Covid-19.

The company finances are well managed with an excellent relationship with its banking partner. It has minimal interest rate exposure.

The company monitors credit risk closely and considers that its current policies of finance checks on potential clients meet its objectives of managing exposure to credit risk.

In 2016 the UK voted to leave the European Economic Union and whilst there has been no immediate impact, we will continue to monitor developments in line with our overall environment scanning.

**KEY PERFORMANCE INDICATORS**

Given the straightforward nature of the business, the directors closely monitor key performance indicators and progress towards strategic objectives; 2020 showed continued momentum towards our 2021 strategic goals.

**ON BEHALF OF THE BOARD:**

Mr R A Millard - Director

25th June 2021

**Report of the Directors  
for the year ended 31st December 2020**

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

**DIVIDENDS**

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31st December 2020 will be £431,204.

**DIRECTORS**

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

Mr P D Sanders  
Mr T A Sanders  
Mr R A Millard

Other changes in directors holding office are as follows:

Mr T M Mcguire - resigned 7th April 2020  
Mrs J L Middleton - resigned 13th September 2020

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

**ON BEHALF OF THE BOARD:**

Mrs H F Sanders - Secretary

25th June 2021

## **Report of the Independent Auditors to the Members of Agenda Resource Management Limited**

### **Opinion**

We have audited the financial statements of Agenda Resource Management Limited (the 'company') for the year ended 31st December 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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 31st December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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

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

### **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 Agenda Resource Management Limited**

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page four, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **Report of the Independent Auditors to the Members of Agenda Resource Management 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.

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:

### **The extent to which the audit was considered capable of detecting irregularities including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the limited liability partnership, including the Companies Act 2006, anti-bribery, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the limited liability partnership's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and 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 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

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 relevant regulators and the limited liability partnership's legal advisors.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of  
Agenda Resource Management 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.

Nicola Shipley FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

29th June 2021

**Statement of Comprehensive Income  
for the year ended 31st December 2020**

	Notes	2020 £	2019 £
<b>TURNOVER</b>	3	<b>9,686,417</b>	12,445,949
Cost of sales		<u>6,220,661</u>	<u>8,380,905</u>
<b>GROSS PROFIT</b>		<b>3,465,756</b>	4,065,044
Administrative expenses		<u>3,071,599</u>	<u>3,019,454</u>
		<b>394,157</b>	1,045,590
Other operating income		<u>223,869</u>	<u>38,752</u>
<b>OPERATING PROFIT</b>	5	<b>618,026</b>	1,084,342
Interest payable and similar expenses	6	<u>8,449</u>	<u>11,260</u>
<b>PROFIT BEFORE TAXATION</b>		<b>609,577</b>	1,073,082
Tax on profit	7	<u>114,950</u>	<u>167,483</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>494,627</b>	905,599
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>494,627</b>	905,599

**Agenda Resource Management Limited (Registered number: 03295323)**

**Balance Sheet  
31st December 2020**

	Notes	2020		2019	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		<b>95,804</b>		67,854
Tangible assets	10		<b>760,314</b>		780,875
Investments	11		-		-
Investment property	12		<b>352,188</b>		352,188
			<u><b>1,208,306</b></u>		<u>1,200,917</u>
<b>CURRENT ASSETS</b>					
Stocks	13	<b>91,167</b>		70,558	
Debtors	14	<b>1,474,060</b>		2,145,141	
Cash at bank and in hand		<b>880,536</b>		2,998	
		<u><b>2,445,763</b></u>		<u>2,218,697</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	15	<b>1,911,485</b>		<b>2,386,960</b>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>					
			<u><b>534,278</b></u>		<u>(168,263)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
			<b>1,742,584</b>		1,032,654
<b>CREDITORS</b>					
Amounts falling due after more than one year	16		<b>(653,790)</b>		(18,588)
<b>PROVISIONS FOR LIABILITIES</b>					
	19		<b>(37,904)</b>		(26,599)
<b>NET ASSETS</b>					
			<u><b>1,050,890</b></u>		<u>987,467</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		<b>10,000</b>		10,000
Share premium	21		<b>47,500</b>		47,500
Revaluation reserve	21		<b>210,787</b>		212,935
Capital redemption reserve	21		<b>2,500</b>		2,500
Retained earnings	21		<b>780,103</b>		714,532
<b>SHAREHOLDERS' FUNDS</b>					
			<u><b>1,050,890</b></u>		<u>987,467</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25th June 2021 and were signed on its behalf by:

Mr R A Millard - Director

The notes form part of these financial statements

**Statement of Changes in Equity  
for the year ended 31st December 2020**

	Called up share capital £	Retained earnings £	Share premium £
<b>Balance at 1st January 2019</b>	10,000	173,785	47,500
<b>Changes in equity</b>			
Dividends	-	(367,000)	-
Total comprehensive income	-	905,599	-
Transfer from revaluation reserve	-	2,148	-
<b>Balance at 31st December 2019</b>	<u>10,000</u>	<u>714,532</u>	<u>47,500</u>
<b>Changes in equity</b>			
Dividends	-	(431,204)	-
Total comprehensive income	-	494,627	-
Transfer from revaluation reserve	-	2,148	-
<b>Balance at 31st December 2020</b>	<u>10,000</u>	<u>780,103</u>	<u>47,500</u>
	Revaluation reserve £	Capital redemption reserve £	Total equity £
<b>Balance at 1st January 2019</b>	215,083	2,500	448,868
<b>Changes in equity</b>			
Dividends	-	-	(367,000)
Total comprehensive income	-	-	905,599
Transfer from revaluation reserve	(2,148)	-	-
<b>Balance at 31st December 2019</b>	<u>212,935</u>	<u>2,500</u>	<u>987,467</u>
<b>Changes in equity</b>			
Dividends	-	-	(431,204)
Total comprehensive income	-	-	494,627
Transfer from revaluation reserve	(2,148)	-	-
<b>Balance at 31st December 2020</b>	<u>210,787</u>	<u>2,500</u>	<u>1,050,890</u>

**Cash Flow Statement  
for the year ended 31st December 2020**

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,100,103	667,635
Interest paid		(6,116)	(8,130)
Interest element of hire purchase payments paid		(2,333)	(3,130)
Tax paid		(189,757)	(37,121)
Net cash from operating activities		<u>901,897</u>	<u>619,254</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(56,427)	(49,532)
Purchase of tangible fixed assets		(84,990)	(88,466)
Sale of intangible fixed assets		-	5,000
Sale of tangible fixed assets		950	10,673
Net cash from investing activities		<u>(140,467)</u>	<u>(122,325)</u>
<b>Cash flows from financing activities</b>			
New loans in year		800,000	-
Capital repayments in year		(2,518)	(25,013)
Equity dividends paid		(431,204)	(367,000)
Net cash from financing activities		<u>366,278</u>	<u>(392,013)</u>
<b>Increase in cash and cash equivalents</b>		<u>1,127,708</u>	<u>104,916</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(247,172)	(352,088)
<b>Cash and cash equivalents at end of year</b>	2	<u>880,536</u>	<u>(247,172)</u>

Notes to the Cash Flow Statement  
for the year ended 31st December 2020

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Profit before taxation	609,577	1,073,082
Depreciation charges	125,597	110,772
Loss/(profit) on disposal of fixed assets	7,481	(10,695)
Government grants	(8,779)	(5,252)
Finance costs	8,449	11,260
	<u>742,325</u>	<u>1,179,167</u>
Increase in stocks	(20,609)	(18,355)
Decrease/(increase) in trade and other debtors	671,081	(732,243)
(Decrease)/increase in trade and other creditors	(292,694)	239,066
<b>Cash generated from operations</b>	<u><u>1,100,103</u></u>	<u><u>667,635</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	880,536	2,998
Bank overdrafts	-	(250,170)
	<u>880,536</u>	<u>(247,172)</u>

Year ended 31st December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	2,998	4,495
Bank overdrafts	(250,170)	(356,583)
	<u>(247,172)</u>	<u>(352,088)</u>

Notes to the Cash Flow Statement  
for the year ended 31st December 2020

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

	At 1.1.20 £	Cash flow £	At 31.12.20 £
<b>Net cash</b>			
Cash at bank and in hand	2,998	877,538	880,536
Bank overdrafts	<u>(250,170)</u>	<u>250,170</u>	<u>-</u>
	<u>(247,172)</u>	<u>1,127,708</u>	<u>880,536</u>
<b>Debt</b>			
Finance leases	(24,137)	(15,742)	(39,879)
Debts falling due within 1 year	-	(177,778)	(177,778)
Debts falling due after 1 year	-	<u>(622,222)</u>	<u>(622,222)</u>
	<u>(24,137)</u>	<u>(815,742)</u>	<u>(839,879)</u>
<b>Total</b>	<u>(271,309)</u>	<u>311,966</u>	<u>40,657</u>

**Notes to the Financial Statements  
for the year ended 31st December 2020**

**1. STATUTORY INFORMATION**

Agenda Resource Management Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

Agenda Resource Management Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

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

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for the provision of resource management, pre-employment security screening and marketing services to the customers. Turnover is shown net of Value Added Tax.

**Interest receivable and other income**

Interest income is recognised using the effective interest method.

**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.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

**Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold property	- 2.5%, freehold land is not depreciated
Plant and machinery	- 15% - 33%
Motor vehicles	- 25% - 33%

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

**Investments in subsidiaries**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**Notes to the Financial Statements - continued  
for the year ended 31st December 2020**

**2. ACCOUNTING POLICIES - continued**

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of completion. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

**Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

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

**Leasing commitments**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Where goods are sold using finance leases, the entity recognises turnover from the sale of goods and the rights to receive future lease payments as a debtor. Minimum lease payments are apportioned between finance income and the reduction of the lease debtor with finance income allocated so as to produce a constant periodic rate of interest on the net investment in the finance lease.

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

2. ACCOUNTING POLICIES - continued

**Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

3. TURNOVER

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

An analysis of turnover by class of business is given below:

	2020	2019
	£	£
Facilities	6,215,929	9,251,124
Screening	2,214,598	2,769,552
Marketing	211,128	241,485
Other	1,044,762	183,788
	<u>9,686,417</u>	<u>12,445,949</u>

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	9,301,858	12,264,249
Overseas	384,559	181,700
	<u>9,686,417</u>	<u>12,445,949</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

4. EMPLOYEES AND DIRECTORS

The aggregate payroll costs of the above were:

	2020	2019
£		
£		
Wages and salaries	<b>3,549,951</b>	3,884,406
Social security costs	<b>325,585</b>	342,952
Other pension costs	174,205	179,684
	<u><b>4,049,741</b></u>	<u>4,407,042</u>

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

	2020	2019
	No	No
Head office	<b>60</b>	62
Managers	<b>6</b>	6
Technicians	<b>71</b>	85
Directors	<b>5</b>	5
	<u><b>142</b></u>	<u>158</u>

	2020	2019
	£	£
Directors' remuneration	<b>432,005</b>	418,197
Directors' pension contributions to money purchase schemes	<u><b>22,371</b></u>	<u>14,975</u>

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

Money purchase schemes	<u><b>4</b></u>	<u>4</u>
------------------------	-----------------	----------

Information regarding the highest paid director is as follows:

	2020	2019
	£	£
Emoluments etc	<b>140,447</b>	131,429
Pension contributions to money purchase schemes	<u><b>8,075</b></u>	<u>4,910</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

5. OPERATING PROFIT

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

	2020	2019
	£	£
Depreciation - owned assets	72,706	55,981
Depreciation - assets on hire purchase contracts	24,414	21,732
Loss/(profit) on disposal of fixed assets	7,481	(10,695)
Patents and licences amortisation	28,477	33,059
Auditors' remuneration	9,700	9,500
Auditors' remuneration for non audit work	6,020	5,875
Foreign exchange differences	2,171	1,139
Other operating lease rentals	30,291	17,259
Government grants	<u>(190,369)</u>	<u>(5,252)</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank interest	6,116	8,130
Hire purchase	<u>2,333</u>	<u>3,130</u>
	<u>8,449</u>	<u>11,260</u>

7. TAXATION

**Analysis of the tax charge**

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

	2020	2019
	£	£
Current tax:		
UK corporation tax	108,016	201,722
Under provision in prior years	<u>(4,371)</u>	<u>(39,840)</u>
Total current tax	<u>103,645</u>	161,882
Deferred tax	<u>11,305</u>	5,601
Tax on profit	<u>114,950</u>	<u>167,483</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

7. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

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

	2020 £	2019 £
Profit before tax	<u>609,577</u>	<u>1,073,082</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	115,820	203,886
Effects of:		
Expenses not deductible for tax purposes	2,377	6,567
Adjustments to tax charge in respect of previous periods	-	(39,840)
Change in rate of deferred tax	(3,247)	(3,130)
Total tax charge	<u>114,950</u>	<u>167,483</u>

8. DIVIDENDS

	2020 £	2019 £
Interim paid		
A Ordinary shares	205,852	150,000
B Ordinary shares	205,852	150,000
C Ordinary shares	15,500	37,000
D Ordinary shares	2,000	15,000
E Ordinary shares	2,000	15,000
	<u>431,204</u>	<u>367,000</u>

9. INTANGIBLE FIXED ASSETS

	Patents and licences £
<b>COST</b>	
At 1st January 2020	328,126
Additions	56,427
At 31st December 2020	<u>384,553</u>
<b>AMORTISATION</b>	
At 1st January 2020	260,272
Amortisation for year	28,477
At 31st December 2020	<u>288,749</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>95,804</u>
At 31st December 2019	<u>67,854</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

10. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1st January 2020	667,806	334,272	154,861	1,156,939
Additions	-	47,562	37,428	84,990
Disposals	-	(19,510)	-	(19,510)
At 31st December 2020	<u>667,806</u>	<u>362,324</u>	<u>192,289</u>	<u>1,222,419</u>
<b>DEPRECIATION</b>				
At 1st January 2020	78,523	225,854	71,687	376,064
Charge for year	8,796	47,956	40,368	97,120
Eliminated on disposal	-	(11,079)	-	(11,079)
At 31st December 2020	<u>87,319</u>	<u>262,731</u>	<u>112,055</u>	<u>462,105</u>
<b>NET BOOK VALUE</b>				
At 31st December 2020	<u>580,487</u>	<u>99,593</u>	<u>80,234</u>	<u>760,314</u>
At 31st December 2019	<u>589,283</u>	<u>108,418</u>	<u>83,174</u>	<u>780,875</u>

Included in cost or valuation of land and buildings is freehold land of £ 129,175 (2019 - £ 129,175 ) which is not depreciated.

Tangible fixed assets with a net book value of £580,487 (2019 - £589,283) have been pledged as security for liabilities of the company.

Cost or valuation at 31st December 2020 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2015	111,531	-	-	111,531
Cost	<u>556,275</u>	<u>362,324</u>	<u>192,289</u>	<u>1,110,888</u>
	<u>667,806</u>	<u>362,324</u>	<u>192,289</u>	<u>1,222,419</u>

In the opinion of the directors, the value of the freehold building of £667,806 (2019 - 667,806), is considered to be the value at the year end.

In respect of certain fixed assets stated at valuation, the comparable historical cost and deprecation values are as follows:

	2020 £	2019 £
Net book value at end of year	<u>204,857</u>	<u>211,505</u>
Historical cost	<u>554,307</u>	<u>556,275</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

10. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
<b>COST OR VALUATION</b>	
At 1st January 2020	100,188
Additions	37,428
At 31st December 2020	<u>137,616</u>
<b>DEPRECIATION</b>	
At 1st January 2020	49,515
Charge for year	24,414
At 31st December 2020	<u>73,929</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>63,687</u>
At 31st December 2019	<u>50,673</u>

11. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2020 and 31st December 2020	<u>60,002</u>
<b>PROVISIONS</b>	
At 1st January 2020 and 31st December 2020	<u>60,002</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>-</u>
At 31st December 2019	<u>-</u>

12. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1st January 2020 and 31st December 2020	<u>352,188</u>
<b>NET BOOK VALUE</b>	
At 31st December 2020	<u>352,188</u>
At 31st December 2019	<u>352,188</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

12. **INVESTMENT PROPERTY - continued**

In the opinion of the directors, the above amount is considered to the value of the property at the year end.

These assets have been pledged as security for liabilities of the company.

13. **STOCKS**

	2020	2019
	£	£
Stocks	13,691	6,342
Work-in-progress	77,476	64,216
	<u>91,167</u>	<u>70,558</u>

14. **DEBTORS**

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	964,803	1,841,914
Other debtors	367,329	79,015
Prepayments and accrued income	137,469	216,547
	<u>1,469,601</u>	<u>2,137,476</u>
Amounts falling due after more than one year:		
Prepayments and accrued income	4,459	7,665
Aggregate amounts	<u>1,474,060</u>	<u>2,145,141</u>

15. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2020	2019
	£	£
Bank loans and overdrafts (see note 17)	177,778	250,170
Hire purchase contracts (see note 18)	17,263	14,857
Trade creditors	367,397	905,204
Tax	108,016	194,128
Social security and other taxes	672,303	401,882
Other creditors	22,881	35,685
Accruals and deferred income	545,847	585,034
	<u>1,911,485</u>	<u>2,386,960</u>

16. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2020	2019
	£	£
Bank loans (see note 17)	622,222	-
Hire purchase contracts (see note 18)	22,616	9,280
Accruals and deferred income	8,952	9,308
	<u>653,790</u>	<u>18,588</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

17. **LOANS**

An analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year or on demand:		
Bank overdrafts	-	250,170
Bank loans	<u>177,778</u>	<u>-</u>
	<u>177,778</u>	<u>250,170</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>622,222</u>	<u>-</u>

18. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase 2020 £	contracts 2019 £
Net obligations repayable:		
Within one year	17,263	14,857
Between one and five years	<u>22,616</u>	<u>9,280</u>
	<u>39,879</u>	<u>24,137</u>
	Non-cancellable 2020 £	operating leases 2019 £
Within one year	30,291	25,596
Between one and five years	<u>40,569</u>	<u>32,308</u>
	<u>70,860</u>	<u>57,904</u>

19. **PROVISIONS FOR LIABILITIES**

	2020 £	2019 £
Deferred tax	<u>37,904</u>	<u>26,599</u>
		Deferred tax £
Balance at 1st January 2020		26,599
Charge to Statement of Comprehensive Income during year		<u>11,305</u>
Balance at 31st December 2020		<u>37,904</u>

The expected net reversal of deferred tax assets and liabilities in 2021 is £4,090. This is due to the reversal of accelerated capital allowances and other short term timing differences.

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

20. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal	2019	2018
Number:	Class:	Value	£	£
3,800	A Ordinary	£1	3,800	3,800
3,800	B Ordinary	£1	3,800	3,800
800	C Ordinary	£1	800	800
800	D Ordinary	£1	800	800
800	E Ordinary	£1	800	800
			<u>10,000</u>	<u>10,000</u>

21. **RESERVES**

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1st January 2020	714,532	47,500	212,935	2,500	977,467
Profit for the year	494,627	-	-	-	494,627
Dividends	(431,204)	-	-	-	(431,204)
Transfer from revaluation reserve	2,148	-	(2,148)	-	-
At 31st December 2020	<u>780,103</u>	<u>47,500</u>	<u>210,787</u>	<u>2,500</u>	<u>1,040,890</u>

**Called up share capital**

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

**Share premium**

The share premium account represents the premium arising on the issue of shares net of issue costs. The reduction in the share premium account has been undertaken in accordance with Section 641 of the Companies Act 2006.

**Revaluation reserve**

The revaluation reserve represents the cumulate effect of revaluations of tangible fixed assets where a policy of revaluation has been adopted.

**Capital Redemption reserve**

The capital redemption reserve represents the non distributable reserves transferred after a purchase of the company's own shares.

**Retained earnings**

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

22. **PENSION COMMITMENTS**

The company operates a defined contribution pension scheme for directors and employees. The pension cost includes £19,953 (2019 - £23,061) accrued at the end of the year.

Notes to the Financial Statements - continued  
for the year ended 31st December 2020

23. CAPITAL COMMITMENTS

	2020	2019
	£	£
Contracted but not provided for in the financial statements	<u>-</u>	<u>30,098</u>

24. RELATED PARTY DISCLOSURES

The company was under joint control of P D and H F Sanders, as they jointly own the majority of the issued share capital.

Included within other debtors at the year end is £0 (2019 - £10,676) due from related companies with significant interest .

Included within other debtors at the year end is £365,983 (2019 - £64,369) due from the director and shareholder with significant interest .

During the year, a total of key management personnel compensation of £ 730,162 (2019 - £ 795,254 ) was paid.

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.