

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2024**  
**FOR**  
**SCA GROUP LIMITED**

Schofields  
Chartered Accountants and Statutory Auditors  
Unit 1, St Stephens Court  
15-17 St Stephens Road  
Bournemouth  
Dorset  
BH2 6LA

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**For The Year Ended 30 June 2024**

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**SCA GROUP LIMITED**

**COMPANY INFORMATION**  
**For The Year Ended 30 June 2024**

**DIRECTORS:** Mr S A King  
Mr L Bennett  
Mr J Cooper

**SECRETARY:** Mrs J D King

**REGISTERED OFFICE:** Unit 7 Crane Way  
Woolsbridge Industrial Estate  
Three Legged Cross  
Wimborne  
Dorset  
BH21 6FA

**REGISTERED NUMBER:** 03896934 (England and Wales)

**AUDITORS:** Schofields  
Chartered Accountants and Statutory Auditors  
Unit 1, St Stephens Court  
15-17 St Stephens Road  
Bournemouth  
Dorset  
BH2 6LA

**STRATEGIC REPORT**  
**For The Year Ended 30 June 2024**

The directors present their strategic report for the year ended 30 June 2024.

**REVIEW OF BUSINESS**

The business is split into two main trading divisions - Marine and Non-Marine. The Marine division continued strongly with its ongoing projects, enhancing our geographical base throughout the UK. This will grow as we establish ourselves further in shipyards. Despite a moderate start for Non-Marine, the second half of the financial year has generated pleasing improvements with the successful tender of a number of large orders for cladding replacement and prison works. The division has achieved an award with ROSPA and has been nominated for project of the year by the NASC. This has followed with a buoyant start to 24/25 with relatively healthy increases in turnover levels. We have a strong head of work going forward.

**Financial key performance indicators**

	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sales	12,717	13,723	14,250
Gross profit	2,505	2,324	2,734
Gross profit margin (%)	19.70%	16.94%	19.18%
EBITDA	1,129	1,028	1,627
Operating cash flow	1,132	1,376	1,113

Method of calculation

Gross profit margin = Gross profit/Sales expressed as a percentage

EBITDA = Earnings before interest, tax, depreciation and amortisation

Operating cash flow = Cash generated from operating activities

The company's trading volume was down slightly against previous years, this is due to works being slightly delayed but carried into year 2024/25. Operating cashflow remained consistent. Projects continue to deliver strong margins whilst maintaining client satisfaction.

SCA Groups financial reporting is transparent which provides excellent management information to enable sound business decisions and developments and enables the management to monitor risks. SCA Group has a dedicated focus on working capital, which is closely managed with regular debtors, creditors, short and long term cashflow forecasts.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The successful ongoing management of the business is subject to a number of risks set out below. A thorough risk management process is in place to formally review, mitigate and monitor these risks. The principal risks and uncertainties facing the company are broadly grouped as: Health and Safety, Competition, Financial and External threats.

**Health and Safety**

Many of the Company's operating environments have associated health and safety risks and failure to maintain the highest standards on site could result in injury to our employees, damage to the environment and a loss of clients, as well as damage to the company's reputation. SCA Group work closely with clients with a high focus on safety compliance and culture. We ensure that we achieve and exceed legal and industry requirements.

**Competition**

SCA Group operates mainly in the marine and public sector. We endeavour to be our client's contractor of choice based on excellent quality, safety and workplace performance. The working relationships promotes repeat orders and longevity whilst contributing to our client's success. The company continuously invests in replacing, expanding and developing its plant and equipment to provide customers with the most innovative and efficient access solutions possible.

**Financial**

Credit risk is managed by the company, where we have an established credit policy under which each new clients is thoroughly credit checked using external ratings. We regularly review the credit scores and ratings along with our client knowledge. The company has limited exposure to foreign exchange and interest rate risks.

**ON BEHALF OF THE BOARD:**

Mr S A King - Director

21 November 2024

**REPORT OF THE DIRECTORS**  
**For The Year Ended 30 June 2024**

The directors present their report with the financial statements of the company for the year ended 30 June 2024.

**PRINCIPAL ACTIVITY**

The principal activity of the company was that of providing access, encapsulation and sheeting. Principal activities are mainly carried out in the Marine sector.

The directors continued to focus on the company's core strategy of increasing operational activity through a collaborative approach with our clients to make their projects successful. We also continue to provide the best access solutions to our clients through the highest possible levels of service, operational support and safety standards.

**DIVIDENDS**

The total distribution of dividends for the year ended 30 June 2024 will be £250,000.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 July 2023 to the date of this report.

Mr S A King  
Mr L Bennett  
Mr J Cooper

**FINANCIAL INSTRUMENTS**

The company's principal financial instruments are short and medium-term borrowings and cash. The main purpose of these financial instruments is to raise cash for operations and capital expenditure which has been largely funded from operating cashflow. The company has other financial instruments like trade debtors and trade creditors arising directly from operations. The company does not enter into derivative transactions or trading.

The main risks associated with these financial instruments are interest rate risk, liquidity risk and credit risk. The board reviews and agrees policies for managing each of these risks as summarised below:

**Interest rate risk**

All interest rates are reviewed by the directors to ensure they are commercially competitive and do not expose the company to significant risk.

**Liquidity risk**

The company's objective is to maintain a balance in its principal financial instruments to provide continuity of funding and flexibility through the use of cash at bank, bank loans and asset finance.

**Credit Risk**

The company only trades with creditworthy third parties. It is the company's policy that all clients that wish to trade on credit terms are subject to credit vetting procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the company's overall exposure to bad debts is not significant.

**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.

**REPORT OF THE DIRECTORS**  
**For The Year Ended 30 June 2024**

**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:**

Mr S A King - Director

21 November 2024

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF SCA GROUP LIMITED**

### **Opinion**

We have audited the financial statements of SCA Group Limited (the 'company') for the year ended 30 June 2024 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 30 June 2024 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.

### **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 three, 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  
SCA GROUP 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.

An understanding of the legal and regulatory framework the company operates in was obtained through discussions with directors and other management in addition to our general industry and sector experience. The most significant laws and regulations identified, being those that have a direct effect on material amounts and disclosures in the financial statements, are FRS 102, Companies Act 2006 and HM Revenue & Customs (HMRC) Tax Legislation.

We also considered other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate, or to avoid material penalty. These included the requirements of various Health and Safety Regulations.

Audit procedures were performed to obtain sufficient evidence regarding compliance. These procedures include making enquiries to directors and other management in addition to the inspection of applicable regulatory and legal correspondence. Financial statement disclosures were reviewed and tested to supporting documentation.

Enquiries were also made to the directors and other management to assess the company's internal control environment and their policies and procedures on fraud risk. The company's systems and controls were documented, and audit procedures were designed to test these controls. Further, the risk of management override of controls was addressed through testing journal entries and other adjustments for appropriateness. The judgements made in making accounting estimates were assessed for any indication of potential bias, and the business rationale of significant transactions outside the normal course of the business was evaluated.

We have properly planned and performed the audit in accordance with auditing standards and all members of the engagement team have the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. However, the inherent nature of the audit, and the limited procedures performed, means there is an unavoidable risk that some irregularities may have gone undetected. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.

**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.

Mr D Leatham FCA FCCA (Senior Statutory Auditor)  
for and on behalf of Schofields  
Chartered Accountants and Statutory Auditors  
Unit 1, St Stephens Court  
15-17 St Stephens Road  
Bournemouth  
Dorset  
BH2 6LA

21 November 2024

**STATEMENT OF COMPREHENSIVE INCOME**

**For The Year Ended 30 June 2024**

	Notes	2024 £	2023 £
<b>TURNOVER</b>	3	12,716,547	13,722,580
Cost of sales		<u>(10,211,810)</u>	<u>(11,398,200)</u>
<b>GROSS PROFIT</b>		2,504,737	2,324,380
Administrative expenses		<u>(2,144,004)</u>	<u>(2,122,133)</u>
<b>OPERATING PROFIT</b>	5	360,733	202,247
Interest receivable and similar income		<u>848</u>	<u>887</u>
		361,581	203,134
Interest payable and similar expenses	6	<u>(128,594)</u>	<u>(112,794)</u>
<b>PROFIT BEFORE TAXATION</b>		232,987	90,340
Tax on profit	7	<u>(68,983)</u>	<u>(258,828)</u>
<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>		164,004	(168,488)
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>164,004</u>	<u>(168,488)</u>

**SCA GROUP LIMITED (REGISTERED NUMBER: 03896934)****BALANCE SHEET****30 June 2024**

	Notes	2024		2023	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	9		-		-
Tangible assets	10		<u>5,484,142</u>		<u>5,132,892</u>
			5,484,142		5,132,892
<b>CURRENT ASSETS</b>					
Debtors	11	1,983,708		1,674,623	
Cash at bank		<u>80,319</u>		<u>59,824</u>	
		2,064,027		1,734,447	
<b>CREDITORS</b>					
Amounts falling due within one year	12	<u>4,122,226</u>		<u>3,262,584</u>	
<b>NET CURRENT LIABILITIES</b>			<u>(2,058,199)</u>		<u>(1,528,137)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			3,425,943		3,604,755
<b>CREDITORS</b>					
Amounts falling due after more than one year	13		(594,355)		(756,154)
<b>PROVISIONS FOR LIABILITIES</b>	17		<u>(1,038,277)</u>		<u>(969,294)</u>
<b>NET ASSETS</b>			<u>1,793,311</u>		<u>1,879,307</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	18		1,980		1,980
Share premium	19		23,760		23,760
Capital redemption reserve	19		2		2
Retained earnings	19		<u>1,767,569</u>		<u>1,853,565</u>
<b>SHAREHOLDERS' FUNDS</b>			<u>1,793,311</u>		<u>1,879,307</u>

The financial statements were approved by the Board of Directors and authorised for issue on 21 November 2024 and were signed on its behalf by:

Mr S A King - Director

**STATEMENT OF CHANGES IN EQUITY**

**For The Year Ended 30 June 2024**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 July 2022</b>	1,980	2,272,053	23,760	2	2,297,795
<b>Changes in equity</b>					
Total comprehensive income	-	(168,488)	-	-	(168,488)
Dividends	-	(250,000)	-	-	(250,000)
<b>Balance at 30 June 2023</b>	<u>1,980</u>	<u>1,853,565</u>	<u>23,760</u>	<u>2</u>	<u>1,879,307</u>
<b>Changes in equity</b>					
Total comprehensive income	-	164,004	-	-	164,004
Dividends	-	(250,000)	-	-	(250,000)
<b>Balance at 30 June 2024</b>	<u>1,980</u>	<u>1,767,569</u>	<u>23,760</u>	<u>2</u>	<u>1,793,311</u>

**CASH FLOW STATEMENT**  
**For The Year Ended 30 June 2024**

	Notes	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	1,131,544	1,375,659
Interest paid		(104,481)	(111,682)
Interest element of hire purchase payments paid		(24,113)	(1,112)
Net cash from operating activities		<u>1,002,950</u>	<u>1,262,865</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(383,687)	(324,721)
Sale of tangible fixed assets		2,166	1,200
Interest received		848	887
Net cash from investing activities		<u>(380,673)</u>	<u>(322,634)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	249,318
Loan repayments in year		(473,393)	(454,905)
Hire purchase repayments in year		(180,994)	(25,839)
Introduced/(withdrawn) by directors		(10,853)	(831)
Amounts paid to associated companies		(120,000)	(126,000)
Equity dividends paid		(250,000)	(250,000)
Net cash from financing activities		<u>(1,035,240)</u>	<u>(608,257)</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(412,963)</u>	<u>331,974</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(520,503)	(852,477)
<b>Cash and cash equivalents at end of year</b>	2	<u>(933,466)</u>	<u>(520,503)</u>

**NOTES TO THE CASH FLOW STATEMENT**

**For The Year Ended 30 June 2024**

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

	2024	2023
	£	£
Profit before taxation	232,987	90,340
Depreciation charges	767,780	791,024
(Profit)/loss on disposal of fixed assets	(134)	33,779
Finance costs	128,594	112,794
Finance income	(848)	(887)
	<u>1,128,379</u>	<u>1,027,050</u>
(Increase)/decrease in trade and other debtors	(299,085)	803,518
Increase/(decrease) in trade and other creditors	<u>302,250</u>	<u>(454,909)</u>
<b>Cash generated from operations</b>	<u><u>1,131,544</u></u>	<u><u>1,375,659</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 30 June 2024**

	30/6/24	1/7/23
	£	£
Cash and cash equivalents	80,319	59,824
Bank overdrafts	<u>(1,013,785)</u>	<u>(580,327)</u>
	<u><u>(933,466)</u></u>	<u><u>(520,503)</u></u>

**Year ended 30 June 2023**

	30/6/23	1/7/22
	£	£
Cash and cash equivalents	59,824	109,049
Bank overdrafts	<u>(580,327)</u>	<u>(961,526)</u>
	<u><u>(520,503)</u></u>	<u><u>(852,477)</u></u>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	At 1/7/23	Cash flow	Other non-cash changes	At 30/6/24
	£	£	£	£
<b>Net cash</b>				
Cash at bank	59,824	20,495		80,319
Bank overdrafts	<u>(580,327)</u>	<u>(433,458)</u>		<u>(1,013,785)</u>
	<u><u>(520,503)</u></u>	<u><u>(412,963)</u></u>		<u><u>(933,466)</u></u>
<b>Debt</b>				
Finance leases	(72,984)	180,994	-	(629,364)
Debts falling due within 1 year	(465,929)	15,558	-	(450,371)
Debts falling due after 1 year	<u>(706,562)</u>	<u>457,836</u>	-	<u>(248,726)</u>
	<u><u>(1,245,475)</u></u>	<u><u>654,388</u></u>	-	<u><u>(1,328,461)</u></u>
<b>Total</b>	<u><u>(1,765,978)</u></u>	<u><u>241,425</u></u>	-	<u><u>(2,261,927)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS**

**For The Year Ended 30 June 2024**

**1. STATUTORY INFORMATION**

SCA Group 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**

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

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirement of paragraph 33.7.

**Significant judgements and estimates**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the year. However the nature of estimation means the actual outcomes could differ from those involving estimates. The company constantly re-evaluates these significant factors and makes adjustments where facts and circumstances dictate.

The directors have made the following judgements and estimates deemed applicable to the financial statements:

**Fixed asset depreciation policies**

Depreciation is provided at differing rates in order to write off each asset over its estimated useful life. At each reporting date, management review several factors, such as changes in market prices, to ensure the depreciable amount of an asset is allocated over its estimated useful life.

**Revenue recognition**

Revenue from service contracts are recognised by reference to the stage of completion of the contract. The stage of completion is estimated by management assisted by Quantity Surveyors.

**Turnover**

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the rendering of services and the sale of goods.

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer.

**Goodwill**

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any accumulated amortisation and any accumulated impairment losses.

**Tangible fixed assets**

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

Plant and machinery	- at varying rates on cost
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

**Financial instruments**

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts.

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**For The Year Ended 30 June 2024**

**2. ACCOUNTING POLICIES - continued**

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

**Deferred tax**

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

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

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the 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.

**Hire purchase and leasing commitments**

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases.

The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments.

Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life.

Operating lease payments are recognised as an expense on a straight line basis over the lease term.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Provisions**

Provisions (i.e. liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

**3. TURNOVER**

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

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

	2024	2023
	£	£
Goods and services	12,716,547	13,722,580
	<u>12,716,547</u>	<u>13,722,580</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 June 2024**

**4. EMPLOYEES AND DIRECTORS**

	2024	2023
	£	£
Wages and salaries	7,158,540	7,154,166
Social security costs	800,700	803,849
Other pension costs	137,191	140,678
	<u>8,096,431</u>	<u>8,098,693</u>

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

	2024	2023
Administration	9	9
Production	129	141
	<u>138</u>	<u>150</u>

	2024	2023
	£	£
Directors' remuneration	<u>340,493</u>	<u>327,119</u>

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

Money purchase schemes	<u>3</u>	<u>3</u>
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Information regarding the highest paid director is as follows:

	2024	2023
	£	£
Emoluments etc	<u>156,455</u>	<u>148,944</u>

**5. OPERATING PROFIT**

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

	2024	2023
	£	£
Scaffold hire	309,580	528,313
Plant hire	191,840	368,212
Depreciation - owned assets	767,779	791,024
(Profit)/loss on disposal of fixed assets	(134)	33,779
Auditors' remuneration for audit services	<u>14,750</u>	<u>13,950</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2024	2023
	£	£
Bank loans and overdraft interest	104,481	111,682
Hire purchase	24,113	1,112
	<u>128,594</u>	<u>112,794</u>

**7. TAXATION**

**Analysis of the tax charge**

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

	2024	2023
	£	£
Deferred tax	68,983	258,828
Tax on profit	<u>68,983</u>	<u>258,828</u>

UK corporation tax has been charged at 25% .

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 June 2024**

**7. TAXATION - continued**

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

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

	2024	2023
	£	£
Profit before tax	<u>232,987</u>	<u>90,340</u>
Profit multiplied by the standard rate of corporation tax in the UK of 25% (2023 - 19%)	58,247	17,165
Effects of:		
Expenses not deductible for tax purposes	4,689	-
Depreciation in excess of capital allowances	6,047	9,033
Change in deferred tax rate	-	232,630
Total tax charge	<u>68,983</u>	<u>258,828</u>

**8. DIVIDENDS**

	2024	2023
	£	£
Ordinary £1 shares of £1 each		
Final	<u>250,000</u>	<u>250,000</u>

**9. INTANGIBLE FIXED ASSETS**

**COST**

At 1 July 2023 and 30 June 2024	<u>102,825</u>
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**AMORTISATION**

At 1 July 2023 and 30 June 2024	<u>102,825</u>
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**NET BOOK VALUE**

At 30 June 2024	<u>-</u>
At 30 June 2023	<u>-</u>

**10. TANGIBLE FIXED ASSETS**

	Plant and machinery	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
<b>COST</b>				
At 1 July 2023	7,730,453	98,190	215,462	8,044,105
Additions	1,121,061	-	-	1,121,061
Disposals	(713,568)	-	-	(713,568)
At 30 June 2024	<u>8,137,946</u>	<u>98,190</u>	<u>215,462</u>	<u>8,451,598</u>
<b>DEPRECIATION</b>				
At 1 July 2023	2,747,196	57,684	106,333	2,911,213
Charge for year	712,439	24,547	30,793	767,779
Eliminated on disposal	(711,536)	-	-	(711,536)
At 30 June 2024	<u>2,748,099</u>	<u>82,231</u>	<u>137,126</u>	<u>2,967,456</u>
<b>NET BOOK VALUE</b>				
At 30 June 2024	<u>5,389,847</u>	<u>15,959</u>	<u>78,336</u>	<u>5,484,142</u>
At 30 June 2023	<u>4,983,257</u>	<u>40,506</u>	<u>109,129</u>	<u>5,132,892</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**

**For The Year Ended 30 June 2024**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024	2023
	£	£
Trade debtors	1,497,593	1,055,807
Other debtors	-	1,000
Directors' current accounts	10,000	-
Accrued income	404,226	557,708
Prepayments	71,889	60,108
	<u>1,983,708</u>	<u>1,674,623</u>

The company has entered into an invoice discounting agreement whereby outstanding trade debtor balances totalling £1,497,593 have been assigned to the facility provider. The company retain the risk of bad debts. The carrying amount of the associated liability amounts to £1,013,785.

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

	2024	2023
	£	£
Bank loans and overdrafts (see note 14)	1,464,156	1,046,256
Hire purchase contracts (see note 15)	283,735	23,392
Trade creditors	827,981	574,478
Amounts owed to associated companies	488,037	608,037
Social security and other taxes	688,724	717,096
Directors' current accounts	102,186	103,039
Accrued expenses	267,407	190,286
	<u>4,122,226</u>	<u>3,262,584</u>

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

	2024	2023
	£	£
Bank loans (see note 14)	248,726	706,562
Hire purchase contracts (see note 15)	345,629	49,592
	<u>594,355</u>	<u>756,154</u>

**14. LOANS**

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	1,013,785	580,327
Bank loans	450,371	465,929
	<u>1,464,156</u>	<u>1,046,256</u>
Amounts falling due between one and two years:		
Bank loans	<u>230,126</u>	<u>457,836</u>
Amounts falling due between two and five years:		
Bank loans	<u>18,600</u>	<u>248,726</u>

The bank loans creditor represents four bank loans. Loan 'one' is secured, repayable monthly and matures in July 2026. Loan 'two' is unsecured, repayable monthly and matures in May 2027. Loans 'three' and 'four' are secured, repayable monthly and matures in February 2025.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 June 2024**

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2024	2023
	£	£
Net obligations repayable:		
Within one year	283,735	23,392
Between one and five years	<u>345,629</u>	<u>49,592</u>
	<u>629,364</u>	<u>72,984</u>
	Non-cancellable operating leases	
	2024	2023
	£	£
Within one year	48,092	43,000
Between one and five years	166,179	155,083
In more than five years	-	35,000
	<u>214,271</u>	<u>233,083</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	2024	2023
	£	£
Bank overdrafts	1,013,785	580,327
Hire purchase contracts	629,364	72,984
Bank loans	<u>610,587</u>	<u>1,000,227</u>
	<u>2,253,736</u>	<u>1,653,538</u>

Bank loans and overdrafts are secured either by way of fixed and floating charges over the company or against individual assets. Hire purchase contracts are secured against the individual asset to which they relate.

**17. PROVISIONS FOR LIABILITIES**

	2024	2023
	£	£
Deferred tax	<u>1,038,277</u>	<u>969,294</u>
		Deferred tax
		£
Balance at 1 July 2023		969,294
Provided during year		<u>68,983</u>
Balance at 30 June 2024		<u>1,038,277</u>

The deferred tax provision represents capital allowances in advance of depreciation.

**18. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2024	2023
Number:	Class:	Nominal value:	£	£
NIL	Ordinary £1	£1	-	1,980
198,000	Ordinary	1p	<u>1,980</u>	-
			<u>1,980</u>	<u>1,980</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 June 2024**

**18. CALLED UP SHARE CAPITAL - continued**

The ordinary shares have attached to them full voting rights and are eligible for dividends.

In October 2023, a subdivision took place whereby the existing 1,980 Ordinary shares of £1 each became 198,000 Ordinary shares of 1p each. The nominal value of the total share capital remains unchanged.

**19. RESERVES**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 July 2023	1,853,565	23,760	2	1,877,327
Profit for the year	164,004			164,004
Dividends	(250,000)			(250,000)
At 30 June 2024	<u>1,767,569</u>	<u>23,760</u>	<u>2</u>	<u>1,791,331</u>

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

The share premium reserve records the amount above the nominal value received for shares sold, less transaction costs.

The capital redemption reserve is a non-distributable reserve into which amounts are transferred following the purchase of the company's own shares out of retained earnings.

**20. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to directors subsisted during the years ended 30 June 2024 and 30 June 2023:

	2024 £	2023 £
<b>Mr L Bennett</b>		
Balance outstanding at start of year	-	-
Amounts advanced	21,068	20,946
Amounts repaid	(21,068)	(20,946)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>
<b>Mr S A King</b>		
Balance outstanding at start of year	-	-
Amounts advanced	105,911	105,180
Amounts repaid	(105,911)	(105,180)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>-</u>
<b>Mr J Cooper</b>		
Balance outstanding at start of year	-	-
Amounts advanced	10,000	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>10,000</u>	<u>-</u>

The loans were unsecured with an interest rate charge of 2.25% pa.

**21. RELATED PARTY DISCLOSURES**

**Key management personnel of the entity or its parent (in the aggregate)**

	2024 £	2023 £
Purchases	<u>43,000</u>	<u>40,449</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**For The Year Ended 30 June 2024**

21. **RELATED PARTY DISCLOSURES - continued**

**Other related parties**

	2024	2023
	£	£
Amount due to related party	<u>488,037</u>	<u>608,037</u>

Loans, both provided and received, are unsecured, interest free and repayable on demand.

22. **SHARE-BASED PAYMENT TRANSACTIONS**

The company began operating an Enterprise Management Incentive (EMI) share-option scheme during the year.

A total of 12,638 share options were granted during the year on 27 November 2023.

All share options have an exercise price of £7.46, with a vesting date being the date on which an exit occurs by way of an asset sale, share sale, or company listing.

All share options are yet to be exercised.

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.