

**OMEGA SIGNS LIMITED**  
**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

Thomas Coombs Limited  
Statutory Auditor  
Chartered Accountants  
3365 The Pentagon  
Century Way  
Thorpe Park  
Leeds  
West Yorkshire  
LS15 8ZB

**CONTENTS OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

	<b>Page</b>
<b>Company Information</b>	1
<b>Strategic Report</b>	2
<b>Report of the Directors</b>	3 to 4
<b>Report of the Independent Auditors</b>	5 to 8
<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>	14 to 21

---

**OMEGA SIGNS LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

<b>DIRECTORS:</b>	A R Timmermans Mrs. M A Chapman A P Stirling P Gains D J Chapman M R Timmermans B Dennehy C Norfolk
<b>SECRETARY:</b>	A P Stirling
<b>REGISTERED OFFICE:</b>	Newmarket Approach Leeds LS9 0RJ
<b>REGISTERED NUMBER:</b>	02683286 (England and Wales)
<b>AUDITORS:</b>	Thomas Coombs Limited Statutory Auditor Chartered Accountants 3365 The Pentagon Century Way Thorpe Park Leeds West Yorkshire LS15 8ZB
<b>BANKERS:</b>	HSBC Bank Plc 7 Prospect Crescent Harrogate North Yorkshire HG1 1RN

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

The Directors report the financial results for the year ending 31st December 2021.

The Directors are pleased to report another set of solid financial results for our year ending 31st December 2021. We are able to report a satisfactory profit for the financial year resulting in a further increase in the strength of our balance sheet whilst continuing to operate debt free.

The pandemic that hit the UK in the early part of 2020 continued to impact the economy well into 2021. This economic uncertainty also brought soaring material prices and supply issues but despite all these factors the company managed to grow sales by 15% year on year whilst broadly maintaining gross margin and keeping overheads down. The latter is a testament to the restructure, refocus and efficient systems put in place during the last 2 years, the benefits of which are now starting to show their full potential. The business continues to focus on markets where we see strong future growth potential.

We continue to invest in the business and our people to ensure efficiency whilst maintaining our industry leading levels of quality and service. A large part of future business investment is in research and development of new products and technologies. This strategy continues to help us win new long-term contracts and this provides a solid base for future long-term growth. The business retains its inherent strength with a flexible and wide-ranging skill base.

The economy remains challenging and the marketplace proves to be very competitive with capacity outstripping supply but despite this our industry leading levels of customer service and quality products have meant that we have secured several new long-term contracts within the year.

The results are an absolute testament to the strong management team who have performed exceptionally well, demonstrating control on the business and an unparalleled understanding of the markets it operates in.

Once again, we must acknowledge the extraordinary efforts our employees have made this year. They have once again stepped up to the challenges set and have surpassed all expectations. Our sincere thanks and appreciation goes out to them all.

**PRINCIPAL RISKS AND UNCERTAINTIES**

**Price risk**

The company mainly uses short term matched contracts with suppliers and customers to manage its exposure to variation in market prices. There are a small number of long term contracts with customers where the majority of costs are incurred at an early stage minimizing the inherent risk in them.

**Exchange rates**

The company uses a combination of spot purchases and forward contracts to manage its exchange rate risk.

**Credit risk**

The company mainly trades with long standing customers. The nature of these relationships assists management on controlling credit risk in addition to normal credit management process.

**Liquidity risk**

Management control and monitor the company's cash flow on a regular basis including forecasting future cash values.

**ON BEHALF OF THE BOARD:**

D J Chapman - Director

31st May 2022

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

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

**DIVIDENDS**

The total distribution of dividends for the period ended 31st December 2021 was £Nil (2020: £Nil)

**RESEARCH AND DEVELOPMENT**

Research and development costs of £745,865 (2020: £906,088) were incurred during the year.

**EVENTS SINCE THE END OF THE YEAR**

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

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2021 to the date of this report.

A R Timmermans  
Mrs. M A Chapman  
A P Stirling  
P Gains  
D J Chapman  
M R Timmermans  
B Dennehy  
C Norfolk

**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.

**OMEGA SIGNS LIMITED (REGISTERED NUMBER: 02683286)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

**AUDITORS**

The auditors, Thomas Coombs Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

D J Chapman - Director

31st May 2022

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF OMEGA SIGNS LIMITED

---

### Opinion

We have audited the financial statements of Omega Signs Limited (the 'company') for the year ended 31st December 2021 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 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

### 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  
OMEGA SIGNS 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 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 OMEGA SIGNS 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:

Based on our understanding of the entity and industries in which it operates, we identified the principal risks of non-compliance with laws and regulations related to data protection. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, tax legislation and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We assessed the susceptibility of the company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls, and ensuring these controls operated as intended. We determined the principal risks were related to posting journal entries to manipulate profits, and management bias in accounting estimates, especially bad debts, accruals, and stock provisions.

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

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Identified and tested journal entries and identified any significant transactions that were unusual or outside the normal course of business.
- Investigated the rationale behind significant or unusual transactions.
- Challenged assumptions and judgements made by management in determining significant accounting estimates, in particular in relation to bad debts, accruals, and stock provisions.

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

- Agreeing financial statements disclosures to underlying supporting documentation.
- Discussions with management of known or suspected instances of non-compliance with laws and regulations.
- Reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance of laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement relating to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment.

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  
OMEGA SIGNS 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.

Stuart Adam FCA (Senior Statutory Auditor)  
for and on behalf of Thomas Coombs Limited  
Statutory Auditor  
Chartered Accountants  
3365 The Pentagon  
Century Way  
Thorpe Park  
Leeds  
West Yorkshire  
LS15 8ZB

31st May 2022

STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Notes	2021 £	2020 £
<b>TURNOVER</b>		<b>11,318,105</b>	<b>9,891,518</b>
Cost of sales		<u>7,805,147</u>	<u>6,717,587</u>
<b>GROSS PROFIT</b>		<b>3,512,958</b>	<b>3,173,931</b>
Administrative expenses		<u>3,376,414</u>	<u>3,446,115</u>
		<b>136,544</b>	<b>(272,184)</b>
Other operating income		<u>86,732</u>	<u>485,259</u>
<b>OPERATING PROFIT</b>	4	<b>223,276</b>	<b>213,075</b>
Interest payable and similar expenses	5	<u>6,637</u>	<u>827</u>
<b>PROFIT BEFORE TAXATION</b>		<b>216,639</b>	<b>212,248</b>
Tax on profit	6	<u>(116,303)</u>	<u>(105,548)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>332,942</b>	<b>317,796</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>332,942</b>	<b>317,796</b>

**BALANCE SHEET**  
**31ST DECEMBER 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	7		<b>360,136</b>		227,061
Investments	8		<u>10,000</u>		<u>10,000</u>
			<b>370,136</b>		<b>237,061</b>
<b>CURRENT ASSETS</b>					
Stocks	9	<b>821,718</b>		732,106	
Debtors	10	<b>4,580,339</b>		4,023,632	
Cash at bank		<u>40,978</u>		<u>379,965</u>	
		<b>5,443,035</b>		<b>5,135,703</b>	
<b>CREDITORS</b>					
Amounts falling due within one year	11	<u>2,939,996</u>		<u>2,965,544</u>	
<b>NET CURRENT ASSETS</b>			<u><b>2,503,039</b></u>		<u><b>2,170,159</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>2,873,175</b></u>		<u><b>2,407,220</b></u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	12		<b>(101,247)</b>		-
<b>PROVISIONS FOR LIABILITIES</b>					
	14		<u><b>(64,279)</b></u>		<u><b>(32,513)</b></u>
<b>NET ASSETS</b>			<u><u><b>2,707,649</b></u></u>		<u><u><b>2,374,707</b></u></u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		<b>30,400</b>		30,400
Retained earnings	16		<u><b>2,677,249</b></u>		<u><b>2,344,307</b></u>
<b>SHAREHOLDERS' FUNDS</b>			<u><u><b>2,707,649</b></u></u>		<u><u><b>2,374,707</b></u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 31st May 2022 and were signed on its behalf by:

D J Chapman - Director

A P Stirling - Director

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31ST DECEMBER 2021

	Called up share capital £	Retained earnings £	Total equity £
<b>Balance at 1st January 2020</b>	30,400	2,026,511	2,056,911
<b>Changes in equity</b>			
Total comprehensive income	-	317,796	317,796
<b>Balance at 31st December 2020</b>	<u>30,400</u>	<u>2,344,307</u>	<u>2,374,707</u>
<b>Changes in equity</b>			
Total comprehensive income	-	332,942	332,942
<b>Balance at 31st December 2021</b>	<u>30,400</u>	<u>2,677,249</u>	<u>2,707,649</u>

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

		<b>2021</b>	<b>2020</b>
	Notes	£	£
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(431,656)	(470,534)
Interest paid		(4,422)	(827)
Interest element of hire purchase payments paid		(2,215)	-
Government grants		86,750	484,297
Taxation refund		125,344	240,184
Net cash from operating activities		<u>(226,199)</u>	<u>253,120</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(29,884)	(112,853)
Sale of tangible fixed assets		10,843	2,083
Net cash from investing activities		<u>(19,041)</u>	<u>(110,770)</u>
<b>Cash flows from financing activities</b>			
HP repayments in the year		(93,747)	-
Net cash from financing activities		<u>(93,747)</u>	<u>-</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(338,987)</u>	<u>142,350</u>
<b>Cash and cash equivalents at beginning of year</b>	2	379,965	237,615
<b>Cash and cash equivalents at end of year</b>	2	<u>40,978</u>	<u>379,965</u>

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST DECEMBER 2021**
**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2021	2020
	£	£
Profit before taxation	216,639	212,248
Depreciation charges	125,244	110,710
Loss on disposal of fixed assets	716	2,158
Government grants	(86,750)	(484,297)
Finance costs	6,637	827
	<u>262,486</u>	<u>(158,354)</u>
Increase in stocks	(89,612)	(29,462)
Increase in trade and other debtors	(533,983)	(912,334)
(Decrease)/increase in trade and other creditors	(70,547)	629,616
<b>Cash generated from operations</b>	<u><b>(431,656)</b></u>	<u><b>(470,534)</b></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 2021**

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	<u>40,978</u>	<u>379,965</u>

**Year ended 31st December 2020**

	31/12/20	1/1/20
	£	£
Cash and cash equivalents	<u>379,965</u>	<u>237,615</u>

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

	At 1/1/21	Cash flow	At 31/12/21
	£	£	£
<b>Net cash</b>			
Cash at bank	<u>379,965</u>	<u>(338,987)</u>	<u>40,978</u>
	<u>379,965</u>	<u>(338,987)</u>	<u>40,978</u>
<b>Debt</b>			
Finance leases	-	<u>(146,246)</u>	<u>(146,246)</u>
	-	<u>(146,246)</u>	<u>(146,246)</u>
<b>Total</b>	<u>379,965</u>	<u>(485,233)</u>	<u>(105,268)</u>

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2021**

---

**1. STATUTORY INFORMATION**

Omega Signs 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.

The financial statements have been prepared on a going concern basis. The directors have considered how the company will meet the challenge presented by the current economic climate and have carried out a detailed review of the company's resources including the adequacy of working capital for the next twelve months. The directors are satisfied that the company has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

**Turnover**

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

**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 to write off the cost less the estimated residual of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Short leasehold	- 5% on cost
Plant and machinery, fixtures and fittings, computer equipment, motor vehicles	25%-33% on cost

**Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the performance model.

**Investments in subsidiaries**

Investments in subsidiary undertakings are recognised at cost.

**Stocks**

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

**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.

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2021**

**2. ACCOUNTING POLICIES - continued**

**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.

**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.

**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.

**3. EMPLOYEES AND DIRECTORS**

	2021	2020
	£	£
Wages and salaries	2,942,986	3,037,645
Other pension costs	<u>177,000</u>	<u>182,142</u>
	<u><b>3,119,986</b></u>	<u><b>3,219,787</b></u>

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

	2021	2020
Management	7	7
Administration	<u>71</u>	<u>73</u>
	<u><b>78</b></u>	<u><b>80</b></u>

	2021	2020
	£	£
Directors' remuneration	<u><b>645,878</b></u>	<u><b>639,890</b></u>

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

Money purchase schemes	<u><b>6</b></u>	<u><b>6</b></u>
------------------------	-----------------	-----------------

Information regarding the highest paid director is as follows:

	2021	2020
	£	£
Emoluments etc	<u><b>151,520</b></u>	<u><b>145,224</b></u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

## 4. OPERATING PROFIT

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

	2021	2020
	£	£
Other operating leases	130,000	130,000
Depreciation - owned assets	88,532	100,085
Depreciation - assets on hire purchase contracts	36,712	10,625
Loss on disposal of fixed assets	716	2,158
Auditors' remuneration	11,700	12,455
Foreign exchange differences	<u>18</u>	<u>(962)</u>

## 5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest	4,422	827
Hire purchase	<u>2,215</u>	<u>-</u>
	<u>6,637</u>	<u>827</u>

## 6. TAXATION

## Analysis of the tax credit

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

	2021	2020
	£	£
Current tax:		
UK corporation tax	(130,250)	(115,000)
Prior year tax over provision	<u>(17,819)</u>	<u>-</u>
Total current tax	<u>(148,069)</u>	<u>(115,000)</u>
Deferred tax	<u>31,766</u>	<u>9,452</u>
Tax on profit	<u>(116,303)</u>	<u>(105,548)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

## 6. 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:

	2021 £	2020 £
Profit before tax	<u>216,639</u>	<u>212,248</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	41,161	40,327
Effects of:		
Expenses not deductible for tax purposes	2,603	2,101
Adjustments to tax charge in respect of previous periods	(17,819)	-
Under provision of current year tax debtor	-	17,819
Enhanced reliefs	(184,228)	(210,435)
Effect of changes in tax rate	40,422	43,932
Reversal of prior year timing differences	-	(4,700)
Super deduction claimed	(2,132)	-
Depreciation of non qualifying assets	3,690	5,408
Total tax credit	<u>(116,303)</u>	<u>(105,548)</u>

## 7. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
<b>COST</b>					
At 1st January 2021	553,172	549,363	478,995	40,380	1,621,910
Additions	-	233,182	15,896	20,800	269,878
Disposals	-	(74,649)	(98,704)	(40,380)	(213,733)
At 31st December 2021	<u>553,172</u>	<u>707,896</u>	<u>396,187</u>	<u>20,800</u>	<u>1,678,055</u>
<b>DEPRECIATION</b>					
At 1st January 2021	532,558	435,186	386,725	40,380	1,394,849
Charge for year	20,614	72,038	31,725	867	125,244
Eliminated on disposal	-	(65,590)	(96,204)	(40,380)	(202,174)
At 31st December 2021	<u>553,172</u>	<u>441,634</u>	<u>322,246</u>	<u>867</u>	<u>1,317,919</u>
<b>NET BOOK VALUE</b>					
At 31st December 2021	<u>-</u>	<u>266,262</u>	<u>73,941</u>	<u>19,933</u>	<u>360,136</u>
At 31st December 2020	<u>20,614</u>	<u>114,177</u>	<u>92,270</u>	<u>-</u>	<u>227,061</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

## 8. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
<b>COST</b>	
At 1st January 2021 and 31st December 2021	<u>10,000</u>
<b>NET BOOK VALUE</b>	
At 31st December 2021	<u>10,000</u>
At 31st December 2020	<u>10,000</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Mydaton Limited**

Registered office: Newmarket Approach, Leeds, LS9 0RJ

Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

## 9. STOCKS

	2021 £	2020 £
Raw materials	455,616	448,527
Work-in-progress	139,416	143,228
Finished goods	<u>226,686</u>	<u>140,351</u>
	<u>821,718</u>	<u>732,106</u>

## 10. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	4,221,691	3,710,755
Amounts recoverable on contract	59,458	60,715
Other debtors	10,201	12,983
Tax	137,725	115,000
Prepayments and accrued income	<u>128,264</u>	<u>101,179</u>
	<u>4,557,339</u>	<u>4,000,632</u>
Amounts falling due after more than one year:		
Directors' loan accounts	<u>23,000</u>	<u>23,000</u>
Aggregate amounts	<u>4,580,339</u>	<u>4,023,632</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

## 11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts (see note 13)	44,999	-
Trade creditors	1,973,962	1,918,781
Social security and other taxes	70,811	68,904
VAT	525,291	618,648
Other creditors	11,500	10,000
Accruals and deferred income	313,433	349,211
	<u>2,939,996</u>	<u>2,965,544</u>

## 12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021	2020
	£	£
Hire purchase contracts (see note 13)	<u>101,247</u>	<u>-</u>

## 13. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	Hire purchase contracts	
	2021	2020
	£	£
Net obligations repayable:		
Within one year	44,999	-
Between one and five years	101,247	-
	<u>146,246</u>	<u>-</u>

## Non-cancellable operating leases

	Land and Buildings		Other	
	2021		2021	
	£	£	£	£
Within one year	130,000	4,357	97,500	4,963
Between one and five years	520,000	63,278	-	55,237
In more than five years	1,950,000	-	-	-
	<u>2,600,000</u>	<u>67,635</u>	<u>97,500</u>	<u>60,200</u>

## 14. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax	<u>64,279</u>	<u>32,513</u>
		<b>Deferred tax</b>
		£
Balance at 1st January 2021		32,513
Provided during year		<u>31,766</u>
Balance at 31st December 2021		<u>64,279</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

## 15. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£	£
30,000	Ordinary	£1	30,000	30,000
400	Ordinary A - E	£1	400	400
			<u>30,400</u>	<u>30,400</u>

The A - E Ordinary shares have no voting rights.

## 16. RESERVES

	Retained earnings £
At 1st January 2021	2,344,307
Profit for the year	332,942
At 31st December 2021	<u>2,677,249</u>

## 17. CONTINGENT LIABILITIES

On 2nd November 1992 the company entered into an agreement with HSBC Bank plc. HSBC Bank plc holds a fixed and floating charge over the assets of the company.

On 24th October 2003 the company entered into an agreement with HSBC Bank plc. HSBC Bank plc holds a debenture including a fixed charge over the leasehold property.

## 18. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 31st December 2021 and 31st December 2020:

	2021 £	2020 £
<b>D J Chapman</b>		
Balance outstanding at start of year	15,000	15,000
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>15,000</u>	<u>15,000</u>
<b>M R Timmermans</b>		
Balance outstanding at start of year	8,000	8,000
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>8,000</u>	<u>8,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2021

---

19. **RELATED PARTY DISCLOSURES**

**Luxford Trust and M N Chapman 2006/1-4 Trusts**

Trusts in which some of the directors are trustees.

During the year the company paid rent under a 20 year lease to these trusts of £130,000 (2020: £130,000).

20. **POST BALANCE SHEET EVENTS**

After 31st December 2021, Omega Signs Limited purchased back 6,000 of its Ordinary shares and 100 of its Ordinary "B" shares for the sum of £625,000. The directors consider this to be a non-adjusting event in the financial statements for the year ended 31st December 2021.

21. **CONTROLLING PARTY**

In the opinion of the directors, the company is controlled by members of the Timmermans and Chapman families and related family trusts.

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.