

# Burgess Technical Services Limited

## Report and Financial Statements

31 December 2022



## Burgess Technical Services Limited

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### **Directors**

M T Olszowski  
S T Bianchi  
I C Armstrong

### **Secretary**

A G Wheatley

### **Auditors**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

### **Bankers**

Lloyds Bank Plc  
25 Gresham Street  
London EC2V 7HN

### **Registered Office**

Cunard House  
15 Regent Street  
London SW1Y 4LR

Registered No. 08213035

## Directors' report

The directors present their report and financial statements of the company for the year ended 31 December 2022.

### Results and dividends

The profit for the year after taxation amounted to £480,936 (2021 – £404,993). The directors do not recommend the payment of a dividend (2021: £500,000).

### Principal activities of the business

The principal activity of the company is acting as technical consultants in the yacht building industry.

### Future developments

The company's success is dependent upon its ability to tender for new contracts and continue to provide its services on current projects.

It is important for the Company to continue to diversify its portfolio of customers and continue to examine opportunities both to improve profitability of existing services and to develop additional services as client needs change with the economic situation.

### Principal risks and uncertainties

The main risks arising from the company's financial instruments are liquidity risk and credit risk. The board reviews and agrees policies for managing these risks as summarised below:

#### Liquidity risk

The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

#### Credit risk

The company trades with only recognised creditworthy third parties. In addition, receivable balances are monitored on an ongoing basis with the result that the company's exposure to bad debts is not significant.

#### Ukraine / Russia conflict

On 24<sup>th</sup> of February 2022, Russia launched a military invasion of Ukraine, prompting international economic sanctions. The impact of these economic sanctions to date have been broadly neutral for the company. One customer contract has been suspended as a direct consequence of these sanctions. Overall demand for new build yachts remains strong, and opportunities will arise from shipyards where Russian-owned build projects may become suspended or terminated.

## Directors' report

### Principal risks and uncertainties (continued)

#### Going concern

The financial statements are prepared on a going concern basis. The company's business activities, together with the factors likely to affect its future development, performance and position are set out above.

Based on management's assessment of the current economic and social environment, the cash flow forecast is modelled for the period to 31 December 2024.

The Company has made a profit after tax of £480,936 (2021 – profit of £404,993) and at the balance sheet date, the company had net assets of £1,185,695 (2021 – £704,759).

In addition, the company's parent company, Nigel Burgess SAM has agreed to provide continuing financial support, if required, to enable the company to meet its obligations as and when they fall due from the date of approval of the financial statements until 31 December 2024.

The Burgess group has performed cash flow forecasting on the wider Burgess group and it is in a favourable liquidity position. As such the Directors are comfortable about the ability of the parent company to provide support to Burgess Technical Services Limited.

Based on the above the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### Directors

The directors who served the company during the year and up to the date of this report were as follows:

M T Olszowski

S T Bianchi

I C Armstrong (appointed 26 July 2023)

### Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

### Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to conditions set out in the Companies Act 2006. Such qualifying third party indemnity provisions remains in force as at the date of approving the directors' report.

## Directors' report

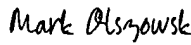
### Auditor

In accordance with S485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company

### Small company exemptions

This report has been prepared in accordance with the special provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

This report was approved by the board of Directors on 29 September 2023 and signed on behalf of the board by:

DocuSigned by:  
  
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M T Olszowski  
Director

## Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements. Ensure the requirement of small companies' exemptions are appropriately applied in preparing the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance.

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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# Independent auditors' report

to the members of Burgess Technical Services Limited

## Opinion

We have audited the financial statements of Burgess Technical Services Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Comprehensive income, the Statement of Changes in Equity, the Statement of Financial Position, Statement of Cashflow and the related notes 1 to 14, 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 FRS 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 company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report below. 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 the period to 31 December 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditors' report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

# **Independent auditors' report**

**to the members of Burgess Technical Services Limited**

## **Other information (continued)**

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 course of 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 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 the 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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

# **Independent auditors' report**

**to the members of Burgess Technical Services 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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102, the Companies Act 2006), the Proceeds of Crime Act 2002, the Bribery Act 2010, relevant UK employment and tax legislation and UK General Data Protection Regulation.
- We understood how Burgess Technical Services Limited is complying with those frameworks by making inquiries with management. We corroborated our inquiries through review of board minutes and papers provided to those charged with governance, as well as consideration of the results of our audit procedures over the company's financial statements.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by identifying significant classes of transactions and significant accounts and considering how these classes of transactions and accounts may be subject to management override and fraud.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved testing of transactions in the financial statements with characteristics that may indicate a higher risk of fraud. We identified revenue as an area that was particularly susceptible to misstatement through management override. Our response to this risk was to carry out detailed testing over revenue, receivables and cash. We also carried out detailed testing of unusual items identified during our work.
- We incorporated data analytics into our testing of manual journals, including segregation of duties, and into our testing of revenue recognition. We tested specific transactions back to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions. We also considered key performance indicators and their propensity to influence efforts made by management to manage revenue and earnings.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual non-standard journals and journals indicating large or unusual transactions based on our understanding of the business; inquiries of those responsible for legal and compliance of the company and management; and focused testing. In addition, we completed procedures to conclude on the compliance of the disclosures in the annual report and accounts with all applicable requirements.

## **Independent auditors' report**

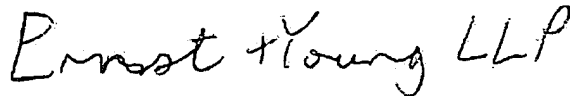
**to the members of Burgess Technical Services Limited**

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

### **Use of our report**

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

A handwritten signature in black ink that reads "Ernst + Young LLP". The signature is written in a cursive, flowing style.

Louise Pennell (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London

29 September 2023

## Statement of comprehensive income

for the year ended 31 December 2022

	<i>Notes</i>	2022 £	2021 £
<b>Turnover</b>	2	2,871,783	2,340,330
Administrative expenses		<u>(2,277,411)</u>	<u>(1,935,337)</u>
<b>Profit before taxation</b>		594,372	404,993
Taxation	6	<u>(113,436)</u>	-
<b>Profit for the year and total comprehensive income for the year</b>		<u>480,936</u>	<u>404,993</u>

There were no recognised gains or losses for 2022 or 2021 other than those included in the Statement of Comprehensive Income. All of the above results are derived from continuing operations.

The notes on pages 14 to 21 form part of these financial statements.

## Statement of changes in equity

for the year ended 31 December 2022

		<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
		£	£	£
	<i>Note</i>			
At 1 January 2021		1	799,765	799,766
Profit for the year		-	404,993	404,993
Total Comprehensive income for the year		-	404,993	404,993
Dividend	11	-	(500,000)	(500,000)
At 31 December 2021		1	704,758	704,759
Profit for the year		-	480,936	480,936
Total Comprehensive income for the year		-	480,936	480,936
Dividend	11	-	-	-
At 31 December 2022		1	1,185,694	1,185,695

The notes on pages 14 to 21 form part of these financial statements.

## Statement of financial position

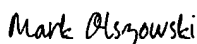
at 31 December 2022

	Notes	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	7	-	-
<b>Current assets</b>			
Debtors	8	1,028,997	915,702
Cash		848,394	467,149
		<u>1,877,391</u>	<u>1,382,851</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>(691,696)</u>	<u>(678,092)</u>
<b>Net current assets</b>		<u>1,185,695</u>	<u>704,759</u>
<b>Net assets</b>		<u>1,185,695</u>	<u>704,759</u>
<b>Capital and reserves</b>			
Called up share capital	10	1	1
Profit and loss account		<u>1,185,694</u>	<u>704,758</u>
<b>Shareholder's funds</b>		<u>1,185,695</u>	<u>704,759</u>

The notes on pages 14 to 21 form part of these financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

Approved by the Board of Directors and signed on its behalf by:

DocuSigned by:  
  
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M T Olszowski  
Director  
Date: 29 September 2023  
Company Registered Number 08213035

## Statement of cash flows

for the year ended 31 December 2022

	<i>Notes</i>	2022 £	2021 £
<b>Net cash (outflow)/inflow from operating activities</b>	12	381,245	(842,199)
<b>Net cash flow from investing activities</b>		-	-
<b>Net cash flow from financing activities</b>		-	-
<b>Increase/(decrease) in cash</b>		<u>381,245</u>	<u>(842,199)</u>
Cash at 1 January		<u>467,149</u>	<u>1,309,348</u>
Cash at 31 December		<u>848,394</u>	<u>467,149</u>

The notes on pages 14 to 21 form part of these financial statements.

## Notes to the financial statements

at 31 December 2022

### 1. Accounting policies

#### *Statement of compliance*

Burgess Technical Services Limited is a limited liability company incorporated in England. The Registered Office is Cunard House, Regent Street, London SW1Y 4LR.

The Company's financial statements have been prepared in compliance with UK Accounting Standards including FRS 102 and the Companies Act as it applies to the financial statements of the Company for the year ended 31 December 2022. The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies' regime.

#### *Basis of preparation*

The financial statements have been prepared under the historical cost convention. The financial statements are prepared in Sterling which is the functional currency of the company. The nature of operations and its principal activity are set out in the Directors' report.

#### *Going concern*

Based on management's assessment of the current economic and social environment, the cash flow forecast is modelled for the period to 31 December 2024.

The Company has made a profit after tax of £480,936 (2021 – profit of £404,993) and at the balance sheet date, the company had net assets of £1,185,695 (2021 – £704,759).

In addition, the company's parent company, Nigel Burgess SAM has agreed to provide continuing financial support, if required, to enable the company to meet its obligations as and when they fall due from the date of approval of the financial statements until 31 December 2024.

The Burgess group has performed cashflow forecasting on the wider Burgess group and it is in a favourable liquidity position. As such the Directors are comfortable about the ability of the parent company to provide support to Burgess Technical Services Limited.

Based on the above the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### *Disclosure exemptions*

In accordance with FRS 102 Section 33, the company has taken advantage of the exemption for subsidiary undertakings, whose 100% of voting rights are controlled within a group, from the requirement to disclose related party transactions.

#### *Judgements and key sources of estimation uncertainty*

The preparation of 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 revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have no significant effect on amounts recognised in the financial statements.

#### *Taxation*

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 6.

## Notes to the financial statements

at 31 December 2022

### 1. Accounting policies (continued)

#### *Significant accounting policies (continued)*

##### **Revenue recognition**

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales tax or duty. Revenue from technical services is recognised on a monthly basis according to the agreement.

##### **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Such cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, 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:

Equipment, fixtures and fittings - Over 4 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

##### **Cash**

Cash and cash equivalents in the Statement of financial position comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

##### **Financial Instruments - Short term debtors and creditors**

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 income statement in other operating expenses.

##### **Foreign currencies**

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the statement of comprehensive income.

##### **Taxation**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Statement of financial position date.

**1. Accounting policies (continued)**

*Significant accounting policies (continued)*

**Taxation (continued)**

The carrying amount of deferred income tax assets is reviewed at each Statement of Financial Position date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

**Pension costs**

The Company pays specified pension contributions to certain employees' private pension schemes on a monthly basis. Other than this, the company has no ongoing commitment. Consequently, no provision for pension obligations is necessary. Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

**Dividends**

Dividends on equity shares are recognised as a deduction of equity when a liability to pay the dividend arises.

**2. Turnover**

Turnover represents the amounts derived from the provision of goods and services which fall within the company's ordinary activities, stated net of value added tax. The turnover and pre-tax result are attributable to the one principal continuing activity of the company, which is performed from the United Kingdom

**3. Operating profit**

This is stated after charging:

	2022	2021
	£	£
<b>Auditor's remuneration</b>		
- audit services	14,000	12,500
- taxation services	4,318	4,074
Gain/(loss) on foreign currency translation	40,562	(1,852)
<b>Operating lease payments</b>		
Minimum lease payments	<u>52,771</u>	<u>77,956</u>

Nigel Burgess Limited hold the lease obligation for which the minimum lease payment relates to.

## Notes to the financial statements

at 31 December 2022

### 4. Directors' remuneration

	2022	2021
	£	£
Remuneration	365,986	275,422
Value of company pension contributions to money purchase schemes	<u>7,838</u>	<u>7,501</u>

The amounts in respect of the 1 paid director are as follows:

Remuneration	365,986	275,422
Value of company pension contributions to money purchase schemes	<u>7,838</u>	<u>7,501</u>

One (1) of the directors who served the Company during the year is paid for by fellow group undertakings of the company, Nigel Burgess Limited. The fellow group undertakings have not recharged any amount to the company on the basis that the amount attributable to the company is negligible. It is not practical to determine the proportion of emoluments which relate to the services as Directors of this Company or the UK group. These directors are also considered to be the key management of the UK Group.

### 5. Staff costs

	2022	2021
	£	£
Wages and salaries	1,532,380	1,203,292
Social security costs	201,358	142,328
Other pension costs	68,269	78,001
	<u>1,802,007</u>	<u>1,423,621</u>

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

	2022	2021
	No.	No.
Office and management	<u>12</u>	<u>12</u>

## Notes to the financial statements

at 31 December 2022

### 6. Taxation

(a) Analysis of tax on profit

The tax charge is made up as follows:

	2022	2021
	£	£
<b>Current tax:</b>		
UK Corporation tax	<u>113,436</u>	<u>-</u>

(b) Factors affecting current tax charge

The tax assessed on the profit for the year differs from the standard rate of corporation tax for the year of 19% (2021 – 19%). The differences are reconciled below:

	2022	2021
	£	£
Profit before tax	<u>594,372</u>	<u>404,993</u>
Profit before tax multiplied by standard rate of Corporation tax in the UK of 19% (2020 – 19%)	112,931	76,949
Expenses not deductible for tax purposes	505	280
Group relief utilised	-	(77,229)
Total tax charge for the year (note 6(a))	<u>113,436</u>	<u>-</u>

## Notes to the financial statements

at 31 December 2022

### 6. Taxation (continued)

(c) Factors affecting future tax charges

The corporation tax rate for the current year remains the same as the prior year i.e. 19%.

The Finance Act 2021 was substantively enacted on 24 May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023.

In the Autumn Statement in November 2022, the government confirmed the increase in corporation tax to 25% from 1 April 2023.

### 7. Tangible assets

	<i>Equipment, fixtures and fittings</i>	<i>Total</i>
	£	£
Cost:		
At 1 January 2022	1,000	1,000
At 31 December 2022	<u>1,000</u>	<u>1,000</u>
Depreciation:		
At 1 January 2022	1,000	1,000
Charged during the year	-	-
At 31 December 2022	<u>1,000</u>	<u>1,000</u>
Net book value:		
At 31 December 2022	<u>-</u>	<u>-</u>
At 1 January 2022	<u>-</u>	<u>-</u>

### 8. Debtors

	2022	2021
	£	£
Trade debtors	821,068	165,458
Amounts owed by group undertakings	-	423,458
Prepayments	45	474
Accrued Income	-	41,250
Corporation tax	-	263
Other debtors	<u>207,884</u>	<u>284,799</u>
	<u>1,028,997</u>	<u>915,702</u>

All amounts included in the amounts owed by group undertakings are unsecured, repayable on demand and interest free.

## Notes to the financial statements

at 31 December 2022

### 9. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	101,122	99,951
Amounts owed to related undertakings	376,903	-
Dividends payable (note 11)	-	500,000
Other creditors	20,534	1,000
Corporation tax	113,436	-
Accruals and deferred income	79,701	77,141
	<u>691,696</u>	<u>678,092</u>

All amounts included in the amounts owed to group undertakings are unsecured, repayable on demand and interest free.

### 10. Issued share capital

<i>Allotted, called up and fully paid</i>	2022		2021	
	No.	£	No.	£
Ordinary shares of £1 each	1	<u>1</u>	1	<u>1</u>

### 11. Dividends

No dividend was declared for 2022. A dividend for 2021 of £500,000 per ordinary share totalling £500,000 was declared and approved on 23 December 2021 and paid on 25 March 2022.

### 12. Notes to the statement of cash flows

Reconciliation of profit to net cash inflow from operating activities:

	2022	2021
	£	£
Profit on ordinary activities before taxation	594,372	404,993
Increase in debtors	(113,295)	(598,541)
Increase/(decrease) in creditors	400,168	(648,651)
Net cash flow from operations	881,245	(842,199)
Dividend paid	(500,000)	-
Net cash inflow/(outflow) from operating activities	<u>381,245</u>	<u>(842,199)</u>

## Notes to the financial statements

at 31 December 2022

### 13. Financial instruments

	2022	2021
	£	£
<i>Financial assets that are debt instruments</i>		
Debtors	1,028,997	874,189
<i>Financial liabilities</i>		
Creditors	578,260	678,092

### 14. Ultimate parent undertaking and controlling party

On 1<sup>st</sup> April 2021, B Yachting SARL, registered in Monaco, acquired 95.86% of Nigel Burgess SAM, which in turn owns 100% of the share capital in Burgess Technical Services Limited.

Ultimate control of the company rests with J W F Beckett, a director who owns 73.9% of the share capital in B Yachting SARL.

There are no publicly available group financial statements which include the results of the company.