

Strategic Report, Report of the Directors and
Financial Statements For The Year Ended 30 November 2022
for
A C Whyte & Co Limited

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For The Year Ended 30 November 2022

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A C Whyte & Co Limited
Company Information
For The Year Ended 30 November 2022

DIRECTORS:

R J Phin
J E McDonald
S C McNellis

REGISTERED OFFICE:

6 Bowerwalls Place
Crossmill Business Park
Barrhead
Glasgow
G78 1BF

REGISTERED NUMBER:

SC054565 (Scotland)

INDEPENDENT AUDITORS:

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Strategic Report
For The Year Ended 30 November 2022

The directors present their strategic report for the year ended 30 November 2022.

REVIEW OF BUSINESS

The key performance indicators for the company are turnover, gross profit, customer satisfaction and employee morale. Turnover has increased from £12,893,530 to £21,093,849 and the gross profit has increased from £2,078,081 to £3,620,671. Looking forward, the directors are confident that the company will continue to thrive through driving net zero and maximising market opportunities thereby delivering strong results. The directors have implemented robust strategic plans, developing the business to support in the economic recovery and Scotland's ambition to achieve net zero by 2045, whilst focusing on maintaining a strong margin and increasing overall efficiency.

PRINCIPAL RISKS AND UNCERTAINTIES

The key risks and uncertainties facing the business are:

Credit risk - the company aims to mitigate credit risk by continuing to trade mainly with local authorities and housing associations.

Liquidity risk - the company aims to mitigate liquidity risk by managing cash generation from its operations and applying cash collection targets. Investment and ongoing expansion is carefully controlled, with authorisation limits operating at different levels up to board level. The directors are satisfied that the company has adequate resources to enable it to meet its liabilities as they fall due for the foreseeable future.

Contract risk - the company aims to mitigate contract risk through robust tendering procedures supported by effective operational management.

ON BEHALF OF THE BOARD:

J E McDonald - Director

27 November 2023

Report of the Directors
For The Year Ended 30 November 2022

The directors present their report with the financial statements of the company for the year ended 30 November 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of energy efficiency contractors.

DIVIDENDS

No dividends will be distributed for the year ended 30 November 2022.

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 1 December 2021 to the date of this report.

R J Phin
J E McDonald
S C McNellis

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.

Report of the Directors
For The Year Ended 30 November 2022

AUDITORS

The auditors, Robb Ferguson, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J E McDonald - Director

27 November 2023

Report of the Independent Auditors to the Members of
A C Whyte & Co Limited

Opinion

We have audited the financial statements of A C Whyte & Co Limited (the 'company') for the year ended 30 November 2022 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 November 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. 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
A C Whyte & Co 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
A C Whyte & Co Limited

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our wider knowledge and experience;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and FRS 102.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

Audit response to risks identified

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

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

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

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Requesting correspondence with HMRC, Companies House and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Report of the Independent Auditors to the Members of
A C Whyte & Co 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.

Graham Cantlay (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

27 November 2023

**Statement of Comprehensive
Income
For The Year Ended 30 November 2022**

	Notes	2022 £	2021 £
TURNOVER	3	21,093,849	12,893,530
Cost of sales		<u>17,473,178</u>	<u>10,815,449</u>
GROSS PROFIT		3,620,671	2,078,081
Administrative expenses		<u>3,415,824</u>	<u>2,613,705</u>
		204,847	(535,624)
Other operating income	4	<u>57,338</u>	<u>407,235</u>
OPERATING PROFIT/(LOSS)	6	262,185	(128,389)
Interest receivable and similar income		<u>11,804</u>	<u>17,026</u>
		273,989	(111,363)
Interest payable and similar expenses	7	<u>92,324</u>	<u>76,817</u>
PROFIT/(LOSS) BEFORE TAXATION		181,665	(188,180)
Tax on profit/(loss)	8	<u>(37,593)</u>	<u>(328,827)</u>
PROFIT FOR THE FINANCIAL YEAR		219,258	140,647
OTHER COMPREHENSIVE LOSS			
Purchase of own shares		(208,000)	-
Income tax relating to other comprehensive loss		-	-
OTHER COMPREHENSIVE LOSS FOR THE YEAR, NET OF INCOME TAX		<u>(208,000)</u>	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>11,258</u>	<u>140,647</u>

The notes form part of these financial statements

Statement of Financial Position
30 November 2022

	Notes	2022		2021	
		£	£	£	£
FIXED ASSETS					
Tangible assets	9		1,968,523		1,837,900
CURRENT ASSETS					
Debtors	10	4,548,487		3,677,936	
Cash at bank		<u>1,375,043</u>		<u>987,376</u>	
		5,923,530		4,665,312	
CREDITORS					
Amounts falling due within one year	11	<u>3,791,927</u>		<u>2,458,340</u>	
NET CURRENT ASSETS			<u>2,131,603</u>		<u>2,206,972</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			4,100,126		4,044,872
CREDITORS					
Amounts falling due after more than one year	12		(1,622,279)		(1,710,000)
PROVISIONS FOR LIABILITIES	16		<u>(163,959)</u>		<u>(32,242)</u>
NET ASSETS			<u>2,313,888</u>		<u>2,302,630</u>
CAPITAL AND RESERVES					
Called up share capital	17		299		312
Capital redemption reserve			4,701		4,688
Retained earnings			<u>2,308,888</u>		<u>2,297,630</u>
SHAREHOLDERS' FUNDS			<u>2,313,888</u>		<u>2,302,630</u>

The financial statements were approved by the Board of Directors and authorised for issue on 27 November 2023 and were signed on its behalf by:

J E McDonald - Director

Statement of Changes in Equity
For The Year Ended 30 November 2022

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 December 2020	312	2,156,983	4,688	2,161,983
Changes in equity				
Total comprehensive income	-	140,647	-	140,647
Balance at 30 November 2021	<u>312</u>	<u>2,297,630</u>	<u>4,688</u>	<u>2,302,630</u>
Changes in equity				
Reduction in share capital	(13)	-	13	-
Total comprehensive income	-	11,258	-	11,258
Balance at 30 November 2022	<u>299</u>	<u>2,308,888</u>	<u>4,701</u>	<u>2,313,888</u>

Statement of Cash Flows
For The Year Ended 30 November 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	609,108	(297,396)
Interest paid		(84,723)	(76,817)
Interest element of hire purchase payments paid		(7,601)	-
Tax repaid		15,844	-
Net cash from operating activities		<u>532,628</u>	<u>(374,213)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(69,828)	(205,447)
Sale of tangible fixed assets		383,457	114,095
Interest received		11,804	17,026
Net cash from investing activities		<u>325,433</u>	<u>(74,326)</u>
Cash flows from financing activities			
Loan repayments in year		(375,000)	(270,000)
Capital repayments in year		(95,394)	-
Net cash from financing activities		<u>(470,394)</u>	<u>(270,000)</u>
Increase/(decrease) in cash and cash equivalents		<u>387,667</u>	<u>(718,539)</u>
Cash and cash equivalents at beginning of year	2	987,376	1,705,915
Cash and cash equivalents at end of year	2	<u>1,375,043</u>	<u>987,376</u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For The Year Ended 30 November 2022

1. RECONCILIATION OF PROFIT/(LOSS) BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2022	2021
	£	£
Profit/(loss) before taxation	181,665	(188,180)
Depreciation charges	60,583	157,944
Profit on disposal of fixed assets	(109,174)	(45,986)
Finance costs	92,324	76,817
Finance income	<u>(11,804)</u>	<u>(17,026)</u>
	213,594	(16,431)
Increase in trade and other debtors	(431,937)	(785,007)
Increase in trade and other creditors	<u>827,451</u>	<u>504,042</u>
Cash generated from operations	<u>609,108</u>	<u>(297,396)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 30 November 2022

	30.11.22	1.12.21
	£	£
Cash and cash equivalents	<u>1,375,043</u>	<u>987,376</u>

Year ended 30 November 2021

	30.11.21	1.12.20
	£	£
Cash and cash equivalents	<u>987,376</u>	<u>1,705,915</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.12.21	Cash flow	At 30.11.22
	£	£	£
Net cash			
Cash at bank	<u>987,376</u>	<u>387,667</u>	<u>1,375,043</u>
	<u>987,376</u>	<u>387,667</u>	<u>1,375,043</u>
Debt			
Finance leases	-	(543,427)	(543,427)
Debts falling due within 1 year	(220,000)	-	(220,000)
Debts falling due after 1 year	<u>(1,710,000)</u>	<u>375,000</u>	<u>(1,335,000)</u>
	<u>(1,930,000)</u>	<u>(168,427)</u>	<u>(2,098,427)</u>
Total	<u>(942,624)</u>	<u>219,240</u>	<u>(723,384)</u>

Notes to the Financial Statements
For The Year Ended 30 November 2022

1. **STATUTORY INFORMATION**

A C Whyte & Co Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

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

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

Turnover

Turnover is stated net of VAT and trade discounts. Turnover from the sale of goods is recognised when the goods are physically delivered to the customer. Turnover from the supply of services represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the value of the consideration due. Where a contract has only been partially completed at the balance sheet date turnover represents the value of the service provided to the date based on a proportion of the total contract value. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the Statement of Comprehensive Income turnover and related costs as contract activity progresses. Turnover is calculated by reference to the value of work performed to date as a proportion of the total contract value.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Heritable and leasehold property	- 2% straight line
Fixed plant and equipment	- 15% on reducing balance
Motor vehicles	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

During the year, in relation to Motor vehicles, the entity changed its depreciation policy from 25% straight line to 25% reducing balance.

Financial instruments

Basic financial instruments are recognised at amortised cost, except for investments in non-convertible preference and non-puttable ordinary shares which are measured at fair value, with changes recognised in profit or loss. Derivative financial instruments are initially recorded at cost and thereafter at fair value with changes recognised in profit or loss.

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

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 statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position 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.

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to Statement of Comprehensive Income over the expected useful lives of the assets concerned. Other grants are credited to the Statement of Comprehensive Income as the related expenditure is incurred.

Amounts recoverable on contracts

Amounts recoverable on contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account.

3. **TURNOVER**

The turnover and profit (2021 - loss) before taxation are attributable to the one principal activity of the company.

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

4. OTHER OPERATING INCOME

	2022	2021
	£	£
Rents received	49,835	36,719
Training grant received	7,503	8,499
CJRS grants received	-	345,120
Insurance claims	-	16,897
	<u>57,338</u>	<u>407,235</u>

5. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	4,222,124	3,610,029
Social security costs	458,145	385,221
Other pension costs	131,053	112,728
	<u>4,811,322</u>	<u>4,107,978</u>

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

	2022	2021
Direct labour	72	81
Administration	47	31
	<u>119</u>	<u>112</u>

	2022	2021
	£	£
Directors' remuneration	293,608	317,689
Directors' pension contributions to money purchase schemes	9,003	9,003

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

Money purchase schemes	<u>2</u>	<u>2</u>
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Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	105,129	127,162
Pension contributions to money purchase schemes	<u>5,001</u>	<u>-</u>

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

6. OPERATING PROFIT/(LOSS)

The operating profit (2021 - operating loss) is stated after charging/(crediting):

	2022	2021
	£	£
Hire of plant and machinery	1,169,232	587,394
Depreciation - owned assets	(517)	157,944
Depreciation - assets on hire purchase contracts	61,100	-
Profit on disposal of fixed assets	(109,174)	(45,986)
Auditors' remuneration	8,875	8,475

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank loan interest	84,723	76,817
Hire purchase	7,601	-
	<u>92,324</u>	<u>76,817</u>

8. TAXATION

Analysis of the tax credit

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

	2022	2021
	£	£
Current tax:		
UK corporation tax	(169,310)	(349,162)
Deferred tax	131,717	20,335
Tax on profit/(loss)	<u>(37,593)</u>	<u>(328,827)</u>

UK corporation tax has been charged at 19% (2021 - 19%).

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

8. 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:

	2022	2021
	£	£
Profit/(loss) before tax	<u>181,665</u>	<u>(188,180)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	34,516	(35,754)
Effects of:		
Expenses not deductible for tax purposes	8,548	537
Effect of timing differences	(107,721)	(21,494)
Deferred tax	131,717	20,335
R&D claim	(104,653)	(292,604)
Prior year underprovision	<u>-</u>	<u>153</u>
Total tax credit	<u>(37,593)</u>	<u>(328,827)</u>

Tax effects relating to effects of other comprehensive income

	Gross	2022	Net
	£	Tax	£
Purchase of own shares	<u>(208,000)</u>	<u>-</u>	<u>(208,000)</u>
		2021	
	Gross	Tax	Net
	£	£	£
Purchase of own shares	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

9. TANGIBLE FIXED ASSETS

	Heritable and leasehold property £	Fixed plant and equipment £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 December 2021	1,996,312	90,002	705,561	75,511	2,867,386
Additions	-	5,092	421,054	50,246	476,392
Disposals	<u>(376,523)</u>	-	<u>(80,435)</u>	-	<u>(456,958)</u>
At 30 November 2022	<u>1,619,789</u>	<u>95,094</u>	<u>1,046,180</u>	<u>125,757</u>	<u>2,886,820</u>
DEPRECIATION					
At 1 December 2021	383,446	70,354	517,251	58,435	1,029,486
Charge for year	34,130	3,380	11,144	11,929	60,583
Eliminated on disposal	<u>(94,176)</u>	-	<u>(77,596)</u>	-	<u>(171,772)</u>
At 30 November 2022	<u>323,400</u>	<u>73,734</u>	<u>450,799</u>	<u>70,364</u>	<u>918,297</u>
NET BOOK VALUE					
At 30 November 2022	<u>1,296,389</u>	<u>21,360</u>	<u>595,381</u>	<u>55,393</u>	<u>1,968,523</u>
At 30 November 2021	<u>1,612,866</u>	<u>19,648</u>	<u>188,310</u>	<u>17,076</u>	<u>1,837,900</u>

Included in heritable and leasehold property is land at a cost of £52,989 (2021 - £52,989) which is not depreciated.

Included in heritable and leasehold properties are long leasehold property with a net book value of £594,567 (2021 - £609,388).

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

	Motor vehicles £
COST	
Additions	406,562
Transferred from ownership	<u>437,329</u>
At 30 November 2022	<u>843,891</u>
DEPRECIATION	
Charge for year	61,100
Transferred from ownership	<u>242,514</u>
At 30 November 2022	<u>303,614</u>
NET BOOK VALUE	
At 30 November 2022	<u>540,277</u>

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

10.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2022	2021
		£	£
	Trade debtors	2,699,672	2,462,908
	Amounts recoverable on contract	1,289,250	611,700
	Other debtors	13,724	155,524
	Tax	518,625	365,159
	Prepayments and accrued income	27,216	82,645
		<u>4,548,487</u>	<u>3,677,936</u>
11.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
		2022	2021
		£	£
	Bank loans and overdrafts (see note 13)	220,000	220,000
	Hire purchase contracts (see note 14)	256,148	-
	Trade creditors	1,415,963	623,041
	Social security and other taxes	154,660	132,634
	VAT	184,668	358,484
	Other creditors	289,721	-
	Accruals and deferred income	1,270,767	1,124,181
		<u>3,791,927</u>	<u>2,458,340</u>
12.	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR		
		2022	2021
		£	£
	Bank loans (see note 13)	1,335,000	1,710,000
	Hire purchase contracts (see note 14)	287,279	-
		<u>1,622,279</u>	<u>1,710,000</u>
13.	LOANS		
	An analysis of the maturity of loans is given below:		
		2022	2021
		£	£
	Amounts falling due within one year or on demand:		
	Bank loans	<u>220,000</u>	<u>220,000</u>
	Amounts falling due between one and two years:		
	Bank loans - 1-2 years	<u>220,000</u>	<u>220,000</u>
	Amounts falling due between two and five years:		
	Bank loans - 2-5 years	<u>660,000</u>	<u>660,000</u>

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

13. **LOANS - continued**

	2022	2021
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	<u>455,000</u>	<u>830,000</u>

14. **LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2022	2021
	£	£
Net obligations repayable:		
Within one year	256,148	-
Between one and five years	<u>287,279</u>	<u>-</u>
	<u>543,427</u>	<u>-</u>

15. **SECURED DEBTS**

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	1,555,000	1,930,000
Hire purchase contracts	<u>543,427</u>	<u>-</u>
	<u>2,098,427</u>	<u>1,930,000</u>

Handelsbanken PLC holds fixed and floating charges over the property of the company.

16. **PROVISIONS FOR LIABILITIES**

	2022	2021
	£	£
Deferred tax	<u>163,959</u>	<u>32,242</u>
		Deferred tax
		£
Balance at 1 December 2021		32,242
Accelerated capital allowances		<u>131,717</u>
Balance at 30 November 2022		<u>163,959</u>

Notes to the Financial Statements - continued
For The Year Ended 30 November 2022

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2022	2021
Number:	Class:	Nominal value:	£	£
250	Ordinary	£1	250	250
49	Ordinary B Shares	£1	49	62
			<u>299</u>	<u>312</u>

18. POST BALANCE SHEET EVENTS

During the year ending 30 November 2020, the company entered into a contract to undertake a share buy back with one of the company's shareholders. The agreement contains provisions that require the company to purchase further tranches of shares at specified future completion dates over the next few years. At the year end the total liability in respect of future obligations under this agreement amounts to £784,000. Since the year end, a further 13 shares have been purchased by the company for a consideration of £208,000 reducing the liability in respect of future obligations under this agreement to £576,000 at the date the financial statements were approved.

19. ULTIMATE CONTROLLING PARTY

The company is under the control of R J Phin.

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.