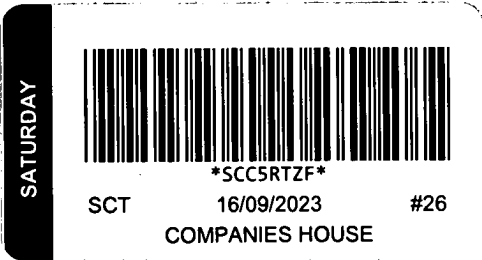


Registered number: SC113061

**80:20 PROCUREMENT
SERVICES LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



80:20 PROCUREMENT SERVICES LIMITED

COMPANY INFORMATION

DIRECTORS

M Spiljard (resigned 1 April 2022)
A Ellis (appointed 1 April 2022)
D Christie

COMPANY SECRETARY

Stronachs Secretaries Limited

REGISTERED NUMBER

SC113061

REGISTERED OFFICE

28 Albyn Place
Aberdeen
United Kingdom
AB10 1YL

INDEPENDENT AUDITOR

Anderson Anderson & Brown Audit LLP
Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

80:20 PROCUREMENT SERVICES LIMITED

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80:20 PROCUREMENT SERVICES LIMITED

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

INTRODUCTION

The principal activities of 80:20 Procurement Services Ltd continue to be the provision of specialist procurement and supply chain services to our clients in the oil and gas sector.

BUSINESS REVIEW

The company has continued to deliver value added services by continually developing people and technology resulting in increased scope of services with existing clients and differentiated services with new clients. Working closely with Peterson on a global scale has created opportunities for global expansion and diversification into new market sectors.

PRINCIPAL RISKS AND UNCERTAINTIES

80:20 is at risk to a reduction in the level of activity within the UK oil and gas sector along with pressure on margins. We manage this by continued development of unique business models to keep us at the forefront of our market sector; and by seeking opportunities internationally. Activity levels and margin continue to be an issue within our major marketplace. This is managed through the creation of value added supply chain technology and continual data analysis both internally and externally.

We continue to invest in technology to bring efficiencies to the supply chain.

FINANCIAL KEY PERFORMANCE INDICATORS

Turnover has increased compared with the prior year by 19%. This was largely a result of improving activity during the year across the North Sea and wider markets. Gross profit margins were maintained at 4% and operating overheads were reduced by 11%. The reduction in profit before tax is due to rising costs due to inflationary pressures across the economy.

This report was approved by the board and signed on its behalf.



.....
D Christie
Director

Date: Sep 7, 2023

80:20 PROCUREMENT SERVICES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £111,714 (2021 - £145,130).

The directors do not propose the payment of an Ordinary dividend for the year (2021 - £2,800,000).

DIRECTORS

The directors who served during the year were:

M Spiljard (resigned 1 April 2022)
A Ellis (appointed 1 April 2022)
D Christie

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

POST BALANCE SHEET EVENTS

There have been no significant events affecting the company since the year end.

AUDITOR

The auditor, Anderson Anderson & Brown Audit LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
D Christie
Director

Date: Sep 7, 2023

80:20 PROCUREMENT SERVICES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors are responsible for preparing the Strategic report, the Directors' 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in 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.

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 to 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.

80:20 PROCUREMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 80:20 PROCUREMENT SERVICES LIMITED

OPINION

We have audited the financial statements of 80:20 Procurement Services Limited (the 'company') for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes, 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 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 Auditor's 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 United Kingdom, including the Financial Reporting Council'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 other information comprises the information included in the Annual Report other than the financial statements and our Auditor's 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 our report, we do not express any form of assurance conclusion thereon. 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 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.

80:20 PROCUREMENT SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF 80:20 PROCUREMENT SERVICES LIMITED (CONTINUED)

OPINION 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the Directors' responsibilities statement set out on page 3, 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 AUDITOR'S REPORT TO THE MEMBERS OF 80:20 PROCUREMENT SERVICES LIMITED
(CONTINUED)**

AUDITOR'S 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 Auditor's 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.

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:

We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

- timing and completeness of revenue recognition,
- compliance with relevant laws and regulations which may impact on the financial statements and those that the company needs to comply with for the purpose of trading
- management judgements applied in calculating provisions
- management override of controls to manipulate the Company's key performance indicators to meet targets.

We discussed these risks with client management, designed audit procedures to address these risks including:

- reviewed internal documentation and correspondence with regulators for evidence or irregularities
- testing the timing and completeness of revenue
- consideration of the assumptions applied whether the judgements applied in calculation of provisions were appropriate
- reviewed areas of judgement and tested a sample of journal entries for indicators of management bias
- performed analytical procedures to identify any unusual or unexpected relationships which may be an indication of material misstatement due to fraud

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 Auditor's 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.



Derek S Mair (Sep 8, 2023 14:58 GMT+1)

Derek Mair (Senior statutory auditor)

for and on behalf of

Anderson Anderson & Brown Audit LLP

Statutory Auditor

Kingshill View
Prime Four Business Park
Kingswells
Aberdeen
AB15 8PU

Date: Sep 8, 2023

80:20 PROCUREMENT SERVICES LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

		2022 £	2021 £
Turnover	4	16,291,077	13,663,173
Cost of sales		<u>(15,691,781)</u>	<u>(12,958,434)</u>
Gross profit		599,296	704,739
Administrative expenses		<u>(488,038)</u>	<u>(546,681)</u>
Operating profit		111,258	158,058
Interest receivable and similar income		456	2,772
Profit on ordinary activities before taxation		<u>111,714</u>	<u>160,830</u>
Taxation on profit on ordinary activities		-	(15,700)
Profit for the financial year		<u><u>111,714</u></u>	<u><u>145,130</u></u>
Other comprehensive income for the year			

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

The notes on pages 10 to 19 form part of these financial statements.

80:20 PROCUREMENT SERVICES LIMITED
REGISTERED NUMBER:SC113061

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	10	5,037	-
Tangible assets	11	54,700	82,546
		<u>59,737</u>	<u>82,546</u>
Current assets			
Stocks	12	470,126	457,970
Debtors	13	4,747,988	4,723,428
Cash at bank and in hand	14	207,006	253,600
		<u>5,425,120</u>	<u>5,434,998</u>
Creditors: Amounts falling due within one year	15	(4,448,050)	(4,592,451)
Net current assets		<u>977,070</u>	<u>842,547</u>
Total assets less current liabilities		<u>1,036,807</u>	<u>925,093</u>
Net assets		<u><u>1,036,807</u></u>	<u><u>925,093</u></u>
Capital and reserves			
Called up share capital	16	1,000	1,000
Profit and loss account		1,035,807	924,093
		<u>1,036,807</u>	<u>925,093</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
D Christie
 Director

Date: Sep 7, 2023

The notes on pages 10 to 19 form part of these financial statements.

80:20 PROCUREMENT SERVICES LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2021	1,000	3,578,963	3,579,963
Comprehensive income for the year			
Profit for the year	-	145,130	145,130
Dividends	-	(2,800,000)	(2,800,000)
At 1 January 2022	1,000	924,093	925,093
Comprehensive income for the year			
Profit for the year	-	111,714	111,714
At 31 December 2022	1,000	1,035,807	1,036,807

The notes on pages 10 to 19 form part of these financial statements.

80:20 PROCUREMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

80:20 Procurement Services Limited is a private limited company incorporated in United Kingdom. The registered office is 28 Albyn Place, Aberdeen, AB10 1YL.

The principal activity of the company is the provision of specialist procurement and supply chain services to the oil and gas sector.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

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

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Peterson Offshore Group B.V. as at 31 December 2022 and these financial statements may be obtained from Paleiskade 41, Den Helder, 1781 AN, Netherlands.

2.3 GOING CONCERN

The directors are of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The directors, therefore, have made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the directors have continued to adopt the going concern basis of accounting in preparing the annual financial statements.

The directors believe there is adequate group support, through intecompany loans and a group cash pooling facility, and therefore remain confident that the company can continue to operate as a going concern.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.4 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.5 REVENUE

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.6 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 PENSIONS

Defined contribution pension plan

The company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

2.8 TAXATION

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

2.9 INTANGIBLE ASSETS

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.10 TANGIBLE FIXED ASSETS

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

80:20 PROCUREMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.10 TANGIBLE FIXED ASSETS (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Motor vehicles	- 33% Straight line
Fixtures & fittings	- 33% Straight line
Office equipment	- 15% Straight line
Computer equipment	- 25% Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.11 STOCKS

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the profit or loss.

2.12 DEBTORS

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.14 CREDITORS

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

**3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES 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 during the year for revenue and costs. However, the nature of estimation means that actual outcomes could differ from those estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The following judgements and estimates have had the most significant impact on amounts recognised in the financial statements.

Impairment of debtors

The company makes an assessment of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management consider various factors including the ageing profile of debtors and historical experience.

4. TURNOVER

The whole of the turnover is attributable to rendering of services.

No analysis of turnover by geographical region or revenue stream is provided, as the directors believe such an analysis would be prejudicial to the company's best interest.

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets	34,961	51,026
Defined contribution pension cost	32,418	20,733
Amortisation of intangible assets	13,350	-
Loss/(gain) on exchange differences	6,239	(17,494)
	<u>62,968</u>	<u>54,265</u>

6. AUDITOR'S REMUNERATION

	2022	2021
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>13,500</u>	<u>12,000</u>

80:20 PROCUREMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****7. EMPLOYEES**

Staff costs were as follows:

	2022 £	2021 £
Wages and salaries	1,034,313	817,571
Social security costs	98,379	69,448
Cost of defined contribution scheme	40,621	20,733
	<u>1,173,313</u>	<u>907,752</u>

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

	2022 No.	2021 No.
Directors	3	2
Managers	4	3
Operations	28	23
	<u>35</u>	<u>28</u>

8. TAXATION

	2022 £	2021 £
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Origination and reversal of timing differences	-	20,658
Effect of tax rate change	-	(4,958)
Total deferred tax	<u>-</u>	<u>15,700</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>15,700</u>

80:20 PROCUREMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****8. TAXATION (CONTINUED)****FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is the same as (2021 - the same as) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Profit on ordinary activities before tax	119,187	160,830
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	22,646	30,558
Effects of:		
Expenses not deductible for tax purposes	208	36
Remeasurement of deferred tax for changes in tax rates	-	(3,447)
Fixed asset differences	-	8
Movement in deferred tax not recognised	(445)	14,361
Group relief claimed	(22,409)	(25,816)
Total tax charge for the year	-	15,700

9. DIVIDENDS

	2022 £	2021 £
Dividends	-	2,800,000
	-	2,800,000

80:20 PROCUREMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. INTANGIBLE ASSETS

	Software £
Cost	
Additions	18,387
At 31 December 2022	<u>18,387</u>
Amortisation	
Charge for the year on owned assets	13,350
At 31 December 2022	<u>13,350</u>
Net book value	
At 31 December 2022	<u>5,037</u>
At 31 December 2021	<u>-</u>

11. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Office equipment £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2022	80,728	151,132	8,247	243,204	483,311
Additions	-	-	-	7,115	7,115
At 31 December 2022	<u>80,728</u>	<u>151,132</u>	<u>8,247</u>	<u>250,319</u>	<u>490,426</u>
Depreciation					
At 1 January 2022	80,728	118,261	6,924	194,852	400,765
Charge for the year on owned assets	-	21,009	648	13,304	34,961
At 31 December 2022	<u>80,728</u>	<u>139,270</u>	<u>7,572</u>	<u>208,156</u>	<u>435,726</u>
Net book value					
At 31 December 2022	<u>-</u>	<u>11,862</u>	<u>675</u>	<u>42,163</u>	<u>54,700</u>
At 31 December 2021	<u>-</u>	<u>32,871</u>	<u>1,323</u>	<u>48,352</u>	<u>82,546</u>

80:20 PROCUREMENT SERVICES LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****12. STOCKS**

	2022 £	2021 £
Finished goods and goods for resale	470,126	457,970
	<u>470,126</u>	<u>457,970</u>

13. DEBTORS

	2022 £	2021 £
Trade debtors	3,641,221	2,305,932
Amounts owed by group undertakings	275,258	1,782,758
Other debtors	16,742	17,656
Prepayments and accrued income	814,767	617,082
	<u>4,747,988</u>	<u>4,723,428</u>

14. CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash at bank and in hand	207,006	253,600
Less: bank overdrafts	(1,179,313)	(208,551)
	<u>(972,307)</u>	<u>45,049</u>

15. CREDITORS: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	1,179,313	208,551
Trade creditors	1,348,305	465,355
Amounts owed to group undertakings	180,994	2,585,680
Taxation and social security	104,740	61,328
Other creditors	8,203	-
Accruals and deferred income	1,626,495	1,271,537
	<u>4,448,050</u>	<u>4,592,451</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

16. SHARE CAPITAL

	2022 £	2021 £
Allotted, called up and fully paid		
600 (2021 - 600) A Ordinary shares of £1.00 each	600	600
400 (2021 - 400) B Ordinary shares of £1.00 each	400	400
	<u>1,000</u>	<u>1,000</u>

17. COMMITMENTS UNDER OPERATING LEASES

At 31 December 2022 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	-	1,400
	<u>-</u>	<u>1,400</u>

18. RELATED PARTY TRANSACTIONS

During the year, the company made sales of £893,894 (2021 - £1,393,870) and purchases of £634,278 (2021 - £1,254,482) to companies within the group and under common control. As at 31 December 2022, the company had amounts due from companies under common control totalling £275,250 (2021 - £665,027) and amounts due to companies under common control of £180,994 (2021 - £85,680).

19. CONTROLLING PARTY

The immediate and ultimate controlling parent company is Peterson Control Union Group BV, a company registered in Netherlands, by virtue of its 100% ownership in the company's share capital.