

Registration number: 07531759

**COMMERCIAL CORPORATE SERVICES LIMITED  
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2022**

# COMMERCIAL CORPORATE SERVICES LIMITED

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# COMMERCIAL CORPORATE SERVICES LIMITED

## Company Information

<b>Directors</b>	A Hindmarch A Adams S Hindmarch
<b>Registered office</b>	Commercial House Old Station Drive Leckhampton Cheltenham GL53 0DL
<b>Bankers</b>	Santander UK Plc 2 Triton Square Regents Place London NW1 3AN
<b>Auditors</b>	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

## COMMERCIAL CORPORATE SERVICES LIMITED

### Directors' Report for the Year Ended 30 June 2022

The directors present their report and the for the year ended 30 June 2022.

#### Directors of the company

The directors who held office during the year were as follows:

A Hindmarch

A Adams

S Hindmarch

#### Section 172 statement

The Directors believe that they have effectively implemented their duties under section 172 of the Companies Act 2006. The company has considered the long-term strategy of the business in the Strategic Report and consider that this strategy will continue to deliver long term success to the business and it's stakeholders.

The company is committed to maintaining an excellent reputation and strives to achieve high standards. We are highly selective about which suppliers are used to deliver best value while maintaining an awareness of the environmental impact of the work that they do and strive to reduce their carbon footprint.

The Directors recognise the importance of wider stakeholders in delivering their strategy and achieving sustainability within the business. The main stakeholders in the company are considered to be the employees, suppliers and customers.

In ensuring that all our stakeholders are considered as part of every decision process we believe we act fairly between all members of the company.

#### Streamlined Energy and Carbon Reporting

Commercial are committed to maintaining our reputation for excellence and we continue to strive towards achieving the highest possible ethical and environmental standards. Since 2006, Commercial have been reporting its carbon footprint across all our company sites, which now include London and Leeds, as well as our Cheltenham HQ.

Commercial have been a Carbon Neutral company since 2006. We offset our total emissions, including Scope 3 emissions, through the purchase of offset credits. We exclusively support carbon sequestration projects that are independently verified to the highest standard. Each year, our carbon emissions data are independently audited and verified by a third party, The Planet Mark.

In addition, all of Commercial's environmental practices and procedures are subject to an annual independent assurance review with British Standards Institution (ISO14001). We will be benchmarking against our Net-Zero baseline year, 2018, alongside our previous year's emissions.

Our energy use and emissions data for the reporting period are as follows:

Financial period	Base year February 2018 to January 2019	Previous period February 2020 to January 2021	Current period July 2021 to June 2022
Turnover (£)	65,480,228	63,153,600	68,853,282
Carbon intensity (tCO <sub>2</sub> e/£m turnover)	8.66	4.59	4.87
<b>Carbon Emissions (tCO<sub>2</sub>e)</b>	<b>567.2</b>	<b>290.5</b>	<b>335.2</b>
Scope 1 (fuel combustion and operation of facilities)	441.3	206.6	241.7
Scope 2 (market based purchased energy)	-	-	-
Scope 2 (location based purchases energy)	87.2	67.1	70.4
Scope 3 (fuel combustion grey fleet)	38.7	16.8	23.14
<b>Total Energy consumption (kWh)</b>	<b>2,133,933</b>	<b>1,143,645</b>	<b>1,380,337</b>

## COMMERCIAL CORPORATE SERVICES LIMITED

### Directors' Report for the Year Ended 30 June 2022

Commercial have calculated all emissions associated with our carbon footprint in tonnes of carbon dioxide equivalent (tCO<sub>2</sub>e) across 3 scopes. We use the Greenhouse Gas Protocol Corporate Standard because of its wide and reputable reporting standards. Commercial have calculated all kWh data using the relevant UK Government Greenhouse Gas (GHG) Conversion Factors for Company Reporting by the Department for Business, Energy & Industrial Standard and Department for Environment Food & Rural Affairs (2022) to understand our energy use across business activities within the reporting year.

Furthermore, our London and Cheltenham offices have had 444 solar panels installed since 2012, to help reduce our grid dependency. Since 2006, all the electricity purchased to power our offices has been supplied through a verified renewable tariff. All our energy providers retain, on our behalf, the Renewable Energy Guarantee of Origin.

Commercial operates a hybrid working model and encourages staff to utilise Microsoft Teams to help reduce business travel and commuting emissions. In addition, we offer a salary sacrifice scheme to encourage staff into buying bicycles and electric cars. This is our first full year working outside the pandemic and we are encouraged by the small increase in annual carbon emissions. We confirm that we are well within our emissions target plan, to get us to Net-Zero across our three scopes.

As set out in last year's SECR report, we successfully decommissioned our central heating system in London. Our headquarters will follow suit and decommission our burning oil tank by the end of 2023. Meaning, in 2024, all Commercial buildings will no longer run on fossil fuels.

In addition, our London fleet of electric, zero-tailpipe emission, and Ultra Low Emission Zone-compliant vans are charged by points linked to our rooftop solar array. Thanks to the expertise of our Smart Technologies team, this switch helps us to minimise our electricity consumption from the grid. And with our company car fleet now at 47% electric and/or hybrid, it is another significant step in helping us to cut our carbon footprint as we target becoming Net-Zero by 2028.

In 2021, Commercial made a commitment to be Net-Zero by 2028. This commitment is in line with the Science Based Target initiative (SBTi) and aims to limiting global warming to 1.5 degrees Celsius. Commitments developed by SBTi require Commercial to reduce its absolute Scope 1 and Scope 2 greenhouse gas emissions by 50% before 2030 and to measure and reduce our Scope 3 emissions. Our internal ambition remains to be a Net-Zero business by 2028.

We have already made significant progress towards that Net-Zero target. Our scope 1 and 2 emissions, outside of any lockdown periods, have reduced by 45% and 19%, respectively. We are confident this figure will continue to drop in line with limiting global warming temperatures to 1.5 degrees Celsius. Our total carbon intensity (tCO<sub>2</sub>e/£m) across all three scopes has decreased by 89% since 2006, the year our sustainability journey started.

At Commercial, we remain committed to engaging with customers, suppliers, and employees on sustainability topics. Additionally, as part of their Smart Technology offering, we work with clients to provide solutions which help them to reduce their energy usage along with producing their own renewable energy.

Our Internal Change Champions programme allows staff to collaborate on sustainable business projects which will generate positive environmental or social outcomes. Highlights include the creation of a Net-Zero home booklet, Women in Tech, and more.

To find out more about Commercial's sustainability journey, including our Social Impact Report, Change Champions Programme, Green Technology, and Social Enterprise, please visit our website <https://commercial.co.uk/>.

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Directors' Report for the Year Ended 30 June 2022**

#### **Disclosure of information to the auditor**

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditors**

The auditors have expressed their willingness to remain in office.

Approved by the Board on 30 March 2023 and signed on its behalf by:

A Hindmarch  
Director

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Strategic Report for the Year Ended 30 June 2022**

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

#### **Principal activity**

The principal activity of the group is that of a parent company. The principal activities of the group is the provision of office supplies, managed IT and print services.

#### **Fair review of the business**

The board of Commercial Corporate Services are pleased to present our accounts for the year to 30 June 2022.

The Directors are pleased with the strong sales performance of Commercial. We have seen both sales growth and a good Net Profit which has been achieved from several account wins and from introducing new product ranges. All our divisions have done well and we have also seen good growth in our two new divisions in Technology products and Workwear.

We continue to invest heavily in our both our staff and systems in order to give the business the best possible platform to meet our ambitious growth plans.

We head into the new financial year in very good shape. We have a strong customer base, a range of new products and a strong management team with clearly defined operational and strategic objectives. We are genuinely excited about what we can achieve in 2023.

The directors consider the performance for the year and the financial position at the year end to be strong.

#### **Principal risks and uncertainties**

The management of the group and the execution of the group's strategy are subject to a number of risks. The key business risks and uncertainties affecting the group are considered to relate to competition from other providers of office supplies and IT services and the challenges arising as a result of the current economic climate.

#### **Key performance indicators**

Given the nature of the business, the group's directors are of the opinion that key performance indicators are important. The group uses a number of indicators to monitor and improve development, performance or the position of the business. Indicators are reviewed and altered to meet changes both in the internal and external environments. The directors do not consider the inclusion of an analysis using key performance indicators to be necessary to assist users of the financial statements in their understanding of the financial performance or position of the group.

#### **Objectives and policies**

The group does not actively use financial instruments as part of its financial risk management. It is exposed to the usual credit risk and cash flow risk associated with selling on credit and manages this through credit control procedures. The nature of its financial instruments means that they are not subject to price or liquidity risk.

#### **Going concern**

In accordance with the Financial Reporting Council's 'Going Concern and Liquidity Risk: Guidance for the Directors of UK Companies 2009' the directors of all companies are now required to provide disclosures regarding the adoption of the going concern basis of accounting.

The group has generated profits this financial period which has strengthened our cash position. The business manages its cash carefully and has significant banking facilities available to it that remain unused.

The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have continued to adopt the going concern basis in preparing the financial statements.

Approved by the Board on 30 March 2023 and signed on its behalf by:

A Hindmarch  
Director

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Statement of Directors' Responsibilities**

The directors are responsible for preparing the Strategic Report, 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 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 group and company and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements 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; and
- 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 group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Independent Auditor's Report to the Members of Commercial Corporate Services Limited**

#### **Opinion**

We have audited the financial statements of Commercial Corporate Services Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2022, which comprise the Consolidated Profit and Loss Account, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and 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 group's and the parent company's affairs as at 30 June 2022 and of the group's 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 responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### **Opinion on other matter 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Independent Auditor's Report to the Members of Commercial Corporate Services Limited

#### Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 6, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

#### 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:

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

In identifying and assessing risks of material misstatement in respect of fraud, including irregularities and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the group and parent company financial statements or that had a fundamental effect on the operations of the group and parent company. We determined that the most significant laws and regulations included United Kingdom Generally Accepted Accounting Practice, UK Companies Act 2006 and taxation laws;
- We understood how the group and parent company is complying with those legal and regulatory frameworks by making enquiries of the management and those responsible for legal and compliance procedures.
- We assessed the susceptibility of the group's and parent company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
  - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
  - understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
  - challenging assumptions and judgements made by management in its significant accounting estimates; and
  - identifying and testing journal entries, in particular any journal entries with unusual characteristics.

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Independent Auditor's Report to the Members of Commercial Corporate Services Limited**

A further description of our responsibilities is available on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our 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.

Jon Cartwright (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court

Staverton

Cheltenham

GL51 0UX

30 March 2023

## COMMERCIAL CORPORATE SERVICES LIMITED

### Consolidated Profit and Loss Account for the Year Ended 30 June 2022

	Note	Year ended 30 June 2022 £	1 February 2020 to 30 June 2021 £
Turnover	<u>3</u>	69,728,415	93,641,826
Cost of sales		<u>(50,404,373)</u>	<u>(64,682,417)</u>
Gross profit		19,324,042	28,959,409
Administrative expenses		(17,198,666)	(27,759,180)
Other operating income	<u>4</u>	<u>24,749</u>	<u>1,387,636</u>
Operating profit	<u>6</u>	<u>2,150,125</u>	<u>2,587,865</u>
Gain on sale of property		-	3,739,741
Other interest receivable and similar income		-	645
Interest payable and similar charges		<u>(29,113)</u>	<u>(35,536)</u>
		<u>(29,113)</u>	<u>3,704,850</u>
Profit before tax		2,121,012	6,292,715
Taxation	<u>10</u>	<u>(319,507)</u>	<u>(1,025,920)</u>
Profit for the financial year		<u>1,801,505</u>	<u>5,266,795</u>
<b>Profit/(loss) attributable to:</b>			
Owners of the company		1,790,503	5,074,109
Minority interests		<u>11,002</u>	<u>192,686</u>
		<u>1,801,505</u>	<u>5,266,795</u>

The above results were derived from continuing operations.

The group has no other comprehensive income for the year.

**COMMERCIAL CORPORATE SERVICES LIMITED****(Registration number: 07531759)****Consolidated Balance Sheet as at 30 June 2022**

	<b>Note</b>	<b>30 June 2022</b> <b>£</b>	<b>30 June 2021</b> <b>£</b>
<b>Fixed assets</b>			
Intangible assets	<u>11</u>	574,285	729,499
Tangible assets	<u>12</u>	1,519,450	1,146,494
Investment property	<u>13</u>	3,847,551	313,043
Investments	<u>14</u>	660,606	665,303
		<u>6,601,892</u>	<u>2,854,339</u>
<b>Current assets</b>			
Stocks	<u>15</u>	4,591,780	2,867,910
Debtors	<u>16</u>	18,639,283	14,039,803
Cash at bank and in hand		1,094,867	8,006,669
		<u>24,325,930</u>	<u>24,914,382</u>
Creditors: Amounts falling due within one year	<u>18</u>	<u>(17,528,847)</u>	<u>(16,228,271)</u>
Net current assets		<u>6,797,083</u>	<u>8,686,111</u>
Total assets less current liabilities		13,398,975	11,540,450
Creditors: Amounts falling due after more than one year	<u>18</u>	<u>(412,905)</u>	<u>(355,885)</u>
Net assets		<u>12,986,070</u>	<u>11,184,565</u>
<b>Capital and reserves</b>			
Called up share capital	<u>21</u>	9,181	9,181
Capital redemption reserve		819	819
Other reserves		78,023	78,023
Profit and loss account		<u>12,787,653</u>	<u>10,997,150</u>
Equity attributable to owners of the company		12,875,676	11,085,173
Minority interests		<u>110,394</u>	<u>99,392</u>
Total equity		<u>12,986,070</u>	<u>11,184,565</u>

Approved and authorised by the Board on 30 March 2023 and signed on its behalf by:

A Hindmarch  
DirectorThe notes on pages 16 to 29 form an integral part of these financial statements.

**COMMERCIAL CORPORATE SERVICES LIMITED**

(Registration number: 07531759)  
Balance Sheet as at 30 June 2022

	Note	30 June 2022 £	30 June 2021 £
<b>Fixed assets</b>			
Investment property	<u>13</u>	3,847,551	313,043
Investments	<u>14</u>	1,495,406	3,852,823
		<u>5,342,957</u>	<u>4,165,866</u>
<b>Current assets</b>			
Debtors	<u>16</u>	3,138,813	5,209,140
Cash at bank and in hand		19,225	11,683
		<u>3,158,038</u>	<u>5,220,823</u>
Creditors: Amounts falling due within one year	<u>18</u>	(99,055)	(113,029)
Net current assets		<u>3,058,983</u>	<u>5,107,794</u>
Net assets		<u>8,401,940</u>	<u>9,273,660</u>
<b>Capital and reserves</b>			
Called up share capital	<u>21</u>	9,181	9,181
Capital redemption reserve		819	819
Profit and loss account		8,391,940	9,263,660
Total equity		<u>8,401,940</u>	<u>9,273,660</u>

The company made a loss after tax for the financial year of £871,720 (2021 - profit of £10,185,098).

Approved and authorised by the Board on 30 March 2023 and signed on its behalf by:

A Hindmarch  
Director

**COMMERCIAL CORPORATE SERVICES LIMITED**

**Consolidated Statement of Changes in Equity for the Year Ended 30 June 2022**  
**Equity attributable to the parent company**

	Share capital £	Capital redemption reserve £	Merger reserve £	Profit and loss account £	Total £	Non- controlling interests £	Total equity £
At 1 February 2020	10,000	-	78,023	6,858,041	6,946,064	(93,294)	6,852,770
Profit for the period	-	-	-	5,074,109	5,074,109	192,686	5,266,795
Purchase of own share capital	(819)	819	-	(935,000)	(935,000)	-	(935,000)
At 30 June 2021	9,181	819	78,023	10,997,150	11,085,173	99,392	11,184,565
At 1 July 2021	9,181	819	78,023	10,997,150	11,085,173	99,392	11,184,565
Profit for the year	-	-	-	1,790,503	1,790,503	11,002	1,801,505
At 30 June 2022	9,181	819	78,023	12,787,653	12,875,676	110,394	12,986,070

The notes on pages 16 to 29 form an integral part of these financial statements.

**COMMERCIAL CORPORATE SERVICES LIMITED****Statement of Changes in Equity for the Year Ended 30 June 2022**

	<b>Share capital</b> £	<b>Capital redemption reserve</b> £	<b>Profit and loss account</b> £	<b>Total</b> £
At 1 February 2020	10,000	-	13,562	23,562
Profit for the period	-	-	10,185,098	10,185,098
Purchase of own share capital	(819)	819	(935,000)	(935,000)
At 30 June 2021	<u>9,181</u>	<u>819</u>	<u>9,263,660</u>	<u>9,273,660</u>

	<b>Share capital</b> £	<b>Capital redemption reserve</b> £	<b>Profit and loss account</b> £	<b>Total</b> £
At 1 July 2021	9,181	819	9,263,660	9,273,660
Loss for the year	-	-	(871,720)	(871,720)
At 30 June 2022	<u>9,181</u>	<u>819</u>	<u>8,391,940</u>	<u>8,401,940</u>

The notes on pages 16 to 29 form an integral part of these financial statements.

**COMMERCIAL CORPORATE SERVICES LIMITED**

**Consolidated Statement of Cash Flows for the Year Ended 30 June 2022**

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Profit for the year		1,801,505	5,266,795
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>6</u>	668,657	1,656,483
Loss on disposal of tangible assets	<u>5</u>	-	70,570
Profit from sales of investment properties	<u>5</u>	-	(3,739,741)
Finance income		-	(645)
Finance costs		29,113	35,536
Income tax expense	<u>10</u>	319,507	1,025,920
		<u>2,818,782</u>	<u>4,314,918</u>
Working capital adjustments			
Increase in stocks	<u>15</u>	(1,723,870)	(540,496)
Increase in trade debtors	<u>16</u>	(4,681,467)	(2,871,576)
Increase in trade creditors	<u>18</u>	614,265	832,842
Cash generated from operations		(2,972,290)	1,735,688
Income taxes paid	<u>10</u>	(756,614)	(836,970)
Net cash flow from operating activities		<u>(3,728,904)</u>	<u>898,718</u>
<b>Cash flows from investing activities</b>			
Interest received		-	645
Acquisitions of tangible assets		(188,612)	(382,438)
Proceeds from sale of tangible assets		12,994	5,534,346
Acquisition of intangible assets	<u>11</u>	-	(707,597)
Acquisition of investment properties		(3,534,508)	(313,043)
Movement in capital account invested in limited liability partnership	<u>14</u>	4,797	9,781
Net cash flows from investing activities		<u>(3,705,329)</u>	<u>4,141,694</u>
<b>Cash flows from financing activities</b>			
Interest paid		(29,113)	(35,536)
Payments for purchase of own shares		-	(935,000)
Proceeds from other borrowing draw downs		974,363	3,389,011
Payments to finance lease creditors		(422,719)	(455,260)
Net cash flows from financing activities		<u>522,531</u>	<u>1,963,215</u>
Net (decrease)/increase in cash and cash equivalents		(6,911,702)	7,003,627
Cash and cash equivalents at 1 July		<u>8,006,669</u>	<u>1,003,042</u>
Cash and cash equivalents at 30 June		<u><u>1,094,967</u></u>	<u><u>8,006,669</u></u>

The notes on pages 16 to 29 form an integral part of these financial statements.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:  
Commercial House  
Old Station Drive  
Leckhampton  
Cheltenham  
GL53 0DL

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

##### Basis of preparation

These financial statements have been prepared using the historical cost convention except for, where disclosed in these accounting policies, certain items that are shown at fair value.

The presentational currency of the financial statements is Pounds Sterling, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

##### Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 30 June 2022.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Profit and Loss Account from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### Going concern

In assessing whether the going concern basis is appropriate, the directors take into account all available information about the future, which is at least, but not limited to, 12 months from the date of signing these financial statements. The directors have considered the impacts of Covid-19 on the financial statements and the future of the business.

The group has generated profits this financial period which has strengthened the cash position. The business manages its cash carefully and has significant banking facilities available to it that remain unused.

The financial statements have therefore been prepared on the going concern basis, which the directors believe to be appropriate.

#### Critical accounting judgements and key sources of estimation uncertainty

**In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.**

**The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.**

#### Key sources of estimation uncertainty

No key sources of estimation uncertainty have been identified by management in preparing these financial statements other than those detailed in these accounting policies.

#### Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the group's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The group recognises revenue when: The amount of revenue can be reliably measured; it is probable that future economic benefits will flow to the entity; and specific criteria have been met for each of the group's activities.

#### Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates. Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

#### Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements and on unused tax losses or tax credits in the group. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

#### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Short term leasehold property	20% straight line
Rental machines	Over the lower of the rental agreement or 3 years
Motor vehicle	33% straight line
Fixture and fittings	25% straight line
Print technology	10% or 20% straight line
Other fixed assets	25% or 50% straight line

#### Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

#### Intangible assets

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date.

Negative goodwill arising on an acquisition is recognised on the face of the balance sheet on the acquisition date and subsequently the excess up to the fair value of non-monetary assets acquired is recognised in profit or loss in the periods in which the non-monetary assets are recovered.

#### Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	Over 5 years

## **COMMERCIAL CORPORATE SERVICES LIMITED**

### **Notes to the Financial Statements for the Year Ended 30 June 2022**

#### **Investments**

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Dividends on equity securities are recognised in income when receivable.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business. Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the debtors.

#### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out method.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the profit and loss account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Leases**

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

#### Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

#### Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### **Classification**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

##### **Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### **Impairment**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 3 Revenue

The analysis of the group's revenue for the year from continuing operations is as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
Stationery, print and other product sales	47,141,030	65,363,960
Interiors	5,187,626	6,716,187
Managed print services	7,456,958	8,275,898
IT infrastructure managed services	9,942,801	13,285,781
	<u>69,728,415</u>	<u>93,641,826</u>

The analysis of the group's turnover for the year by market is as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
UK	68,801,024	92,834,221
Europe	927,391	807,605
	<u>69,728,415</u>	<u>93,641,826</u>

#### 4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
Government grants	-	1,355,767
Sub lease rental income	22,499	-
Miscellaneous other operating income	2,250	31,869
	<u>24,749</u>	<u>1,387,636</u>

The government grants relate to amounts received under the Coronavirus Job Retention Scheme.

#### 5 Other gains and losses

The analysis of the group's other gains and losses for the year is as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
Gain on disposal of freehold property	-	3,739,741

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 6 Operating profit

Arrived at after charging/(crediting)

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
Depreciation expense	506,033	1,180,651
Amortisation expense	155,214	475,832
Foreign exchange (gains)/losses	(33,804)	22,836
Operating lease expense - property	156,986	192,616
Operating lease expense - plant and machinery	4,360	8,254

#### 7 Staff costs

##### Group

The aggregate payroll costs (including directors' remuneration) were as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	£	£
Wages and salaries	11,996,767	17,439,929
Social security costs	1,321,996	1,906,469
Pension costs, defined contribution scheme	361,325	465,632

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	Year ended 30 June 2022	1 February 2020 to 30 June 2021
	No.	No.
Administration and support	95	77
Sales, marketing and distribution	94	92
Distribution	16	18
Other departments	79	90

##### Company

The company incurred no staff costs and had no employees other than the directors.

#### 8 Directors' remuneration

The directors' remuneration for the period comprised of:

Remuneration of £553,606 (2021 - £1,184,429 for the period from 1 February 2020 to 31 January 2021 and £493,512 for the period 1 February 2021 to 30 June 2021); and

Contributions to pension scheme of £9,470 (2021 - £14,896 for the year from 1 February 2020 to 31 January 2021 and £6,207 for the period from 1 February 2021 to 30 June 2021).

The number of directors who were receiving benefits in defined contribution pension scheme was 3 (2021 - 3).

Remuneration in respect of the highest paid director was £295,415 (2021 - £497,477 for the year from 1 February 2020 to 31 January 2021 and £207,282 for the period from the 1 February 2021 to 30 June 2021).

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

Remuneration in respect of the highest paid director was £291,811 for the year ended 30 June 2022 (2021 - £497,477 for the year from 1 February 2020 to 31 January 2021 and £207,282 for the period from 1 February 2021 to 30 June 2021).

#### 9 Auditors' remuneration

	2022 £	2021 £
Audit of these financial statements	23,100	32,000

#### 10 Taxation

Tax charged/(credited) in the consolidated profit and loss account

	2022 £	2021 £
<b>Current taxation</b>		
UK corporation tax	279,582	1,499,491
UK corporation tax adjustment to prior periods	(42,062)	(205,671)
	<u>237,520</u>	<u>1,293,820</u>
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	72,300	(267,900)
Arising from previously unrecognised tax loss, tax credit or temporary difference of prior periods	9,687	-
	<u>81,987</u>	<u>(267,900)</u>
Total deferred taxation	<u>81,987</u>	<u>(267,900)</u>
Tax expense in the income statement	<u>319,507</u>	<u>1,025,920</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021 - lower than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £	2021 £
Profit before tax	<u>2,121,012</u>	<u>6,292,715</u>
Corporation tax at standard rate	402,992	1,195,616
Effect of expense not deductible in determining taxable profit (tax loss)	(119,828)	281,636
UK deferred tax credit relating to changes in tax rates or laws	(32,375)	(226,372)
Increase/(decrease) in UK and foreign current tax from adjustment for prior periods	32,375	(205,671)
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>36,343</u>	<u>(19,289)</u>
Total tax charge	<u>319,507</u>	<u>1,025,920</u>

**COMMERCIAL CORPORATE SERVICES LIMITED**

**Notes to the Financial Statements for the Year Ended 30 June 2022**

**Deferred tax**

**Group**

Deferred tax assets and liabilities

	<b>Asset £</b>
<b>2022</b>	
Accelerated capital allowances	273,572
	<u>273,572</u>

	<b>Asset £</b>
<b>2021</b>	
Accelerated capital allowances	355,559
	<u>355,559</u>

**11 Intangible assets**

**Group**

	<b>Goodwill £</b>	<b>Computer software £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 July 2021	1,485,612	1,131,860	2,617,472
Disposals	-	(9,141)	(9,141)
At 30 June 2022	<u>1,485,612</u>	<u>1,122,719</u>	<u>2,608,331</u>
<b>Amortisation</b>			
At 1 July 2021	833,641	1,054,332	1,887,973
Amortisation charge	109,894	45,320	155,214
Amortisation eliminated on disposals	-	(9,141)	(9,141)
At 30 June 2022	<u>943,535</u>	<u>1,090,511</u>	<u>2,034,046</u>
<b>Carrying amount</b>			
At 30 June 2022	<u>542,077</u>	<u>32,208</u>	<u>574,285</u>
At 30 June 2021	<u>651,971</u>	<u>77,528</u>	<u>729,499</u>

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 12 Tangible assets

##### Group

	Freehold land and buildings £	IT equipment, office equipment and furniture £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 July 2021	1,140,954	2,329,746	3,394,434	6,865,134
Additions	-	140,112	759,281	899,393
Disposals	-	(243,759)	(36,872)	(280,631)
At 30 June 2022	1,140,954	2,226,099	4,116,843	7,483,896
<b>Depreciation</b>				
At 1 July 2021	627,488	2,065,482	3,025,670	5,718,640
Charge for the period	14,130	174,590	324,723	513,443
Eliminated on disposal	-	(230,765)	(36,872)	(267,637)
At 30 June 2022	641,618	2,009,307	3,313,521	5,964,446
<b>Carrying amount</b>				
At 30 June 2022	499,336	216,792	803,322	1,519,450
At 30 June 2021	513,466	264,264	368,764	1,146,494

#### Leased assets

Included within net book value of tangible fixed assets is £598,107 (2021 - £368,764) in respect of assets held under finance leases and similar hire purchases contracts. Depreciation for the year on these assets was £174,400 (2021 - £565,464).

#### 13 Investment properties

##### Group and company

	2022 £
At 1 July	313,043
Additions	3,534,508
At 30 June	3,847,551

The property was acquired in the year as is stated at cost.

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 14 Investments

##### Group

	2022	2021
	£	£
Investment in LLP	660,506	665,303

##### Company

	2022	2021
	£	£
Investments in subsidiaries	834,900	3,187,520
Investment in LLP	660,506	665,303
	<u>1,495,406</u>	<u>3,852,823</u>

##### Subsidiaries

###### Cost

At 1 July 2021	3,187,520
Impairment	<u>(2,352,620)</u>
At 30 June 2022	<u>834,900</u>

##### Interest in LLP

###### Cost

At 1 July 2021	665,303
Movement in capital account in LLP partnership	<u>(4,797)</u>
At 30 June 2022	<u>660,506</u>

##### Details of undertakings

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
<b>Subsidiary undertakings</b>				
Commercial Limited	England	Ordinary	100%	100%
Commercial IT Services Limited	England	Ordinary	100%	100%
Commercial Recruitment Limited	England	Ordinary	100%	100%
Wiles Greenworld Limited	England	Ordinary	100%	100%
Commercial Creative Systems Limited	England	Ordinary	51%	51%

The company is a corporate partner in, but does not have control of, in Ledbury Projects LLP, which trades as a land and property development partnership. For the period ended 30 June 2022 it reported a profit of £4,697 (2021 - £10,016), and net amounts due to the members at that date was £578,185 (2021 - £578,185).

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 15 Stocks

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Raw materials and consumables	4,591,780	2,867,910	-	-

#### 16 Debtors

	Note	Group		Company	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		£	£	£	£
Trade debtors		14,634,897	10,719,507	-	-
Amounts owed by related parties	24	-	-	2,204,056	4,539,036
Other debtors		3,391,596	2,522,571	934,757	670,104
Prepayments		339,218	442,166	-	-
Deferred tax assets	10	273,572	355,559	-	-
Total current trade and other debtors		18,639,283	14,039,803	3,138,813	5,209,140

#### 17 Cash and cash equivalents

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Cash on hand	677	349	-	-
Cash at bank	1,094,190	8,006,320	19,225	11,683
	1,094,867	8,006,669	19,225	11,683

#### 18 Creditors

	Note	Group		Company	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		£	£	£	£
<b>Due within one year</b>					
Loans and borrowings	19	4,680,232	3,474,827	4,055	18,029
Trade creditors		8,622,723	7,360,031	-	-
Social security and other taxes		1,262,300	2,027,972	-	-
Other creditors		141,448	242,227	95,000	95,000
Accrued expenses		2,721,497	2,503,473	-	-
Corporation tax liability	10	100,647	619,741	-	-
		17,528,847	16,228,271	99,055	113,029
<b>Due after one year</b>					
Loans and borrowings	19	412,905	355,885	-	-

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 19 Loans and borrowings

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<b>Current loans and borrowings</b>				
Hire purchase and finance leases	316,858	85,816	-	-
Other borrowings	4,363,374	3,389,011	4,055	18,029
	<u>4,680,232</u>	<u>3,474,827</u>	<u>4,055</u>	<u>18,029</u>

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<b>Non-current loans and borrowings</b>				
Hire purchase and finance leases	<u>412,905</u>	<u>355,885</u>	<u>-</u>	<u>-</u>

The hire purchase and finance lease liabilities are secured over the assets that they relate to.  
Other borrowings relate to an invoice factoring facility that is secured over the company's trade debtors.

#### 20 Pension and other schemes

##### Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £361,325 (2021 - £465,632).

#### 21 Share capital

##### Allotted, called up and fully paid shares

	30 June 2022		30 June 2021	
	No.	£	No.	£
Ordinary A of £0.10 each	91,809	9,180.90	91,809	9,180.90
	<u>91,809</u>	<u>9,180.90</u>	<u>91,809</u>	<u>9,180.90</u>

## COMMERCIAL CORPORATE SERVICES LIMITED

### Notes to the Financial Statements for the Year Ended 30 June 2022

#### 22 Obligations under operating leases

##### Group

##### Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	146,306	151,264
Later than one year and not later than five years	175,671	321,977
	<u>321,977</u>	<u>473,241</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £151,254 (2021 - £186,022).

#### 23 Analysis of changes in net debt

##### Group

	At 1 July 2021 £	Financing cash flows £	New finance leases £	At 30 June 2022 £
<b>Cash and cash equivalents</b>				
Cash	8,006,669	(6,911,802)	-	1,094,867
<b>Borrowings</b>				
Short term borrowings	(3,389,011)	(974,363)	-	(4,363,374)
Lease liabilities	(441,701)	422,719	(710,781)	(729,763)
	<u>(3,830,712)</u>	<u>(551,644)</u>	<u>(710,781)</u>	<u>(5,093,137)</u>
	<u>4,175,957</u>	<u>(7,463,446)</u>	<u>(710,781)</u>	<u>(3,998,270)</u>

#### 24 Related party transactions

##### Group

During the period the group rented premises from a pension scheme whose beneficiary is A Hindmarch, a director, for the sum of £62,000 (2021 - £87,833), which the directors consider to be a market value rent.

At the year end the following amounts were due from directors:

A Hindmarch - £7,182 (2021 - £1,940)

At the year end the group was owed £1,703,611 (2021 - £852,842) by Journey Holdings Limited, a company in which A Hindmarch is a director.

At the year end the group was owed £525,621 (2021 - £613,766) by Lane Britton and Jenkins Limited, a company in which A Hindmarch is a director.

At the year end the group was owed £523,609 (2021 - £523,164) by Property Solutions (Ledbury) Limited, a company in which A Hindmarch is a director.

These balances appear as other debtors in the financial statements.

Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 6 to the financial statements.

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.