

**Agenda Resource Management Limited**  
**Strategic Report, Report of the Directors and**  
**Financial Statements for the Year Ended 31st December 2019**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

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for the year ended 31st December 2019**

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**Agenda Resource Management Limited**

**Company Information  
for the year ended 31st December 2019**

**DIRECTORS:**

Mr P D Sanders  
Mr T A McGuire  
Mr T A Sanders  
Mrs J L Middleton  
Mr R A Millard

**SECRETARY:**

Mrs H F Sanders

**REGISTERED OFFICE:**

Regent's Court  
Princess Street  
Hull  
East Yorkshire  
HU2 8BA

**REGISTERED NUMBER:**

03295323 (England and Wales)

**AUDITORS:**

Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

**Strategic Report  
for the year ended 31st December 2019**

The directors present their strategic report for the year ended 31st December 2019.

**REVIEW OF BUSINESS**

The company is in its seventh year of full audit and this review is consistent with the size and nature of the business.

The company provides staffing and screening solutions and is organised into 3 core areas:

- Life Sciences - providing support to the Life Science sector, contract staffing, permanent recruitment and facilities management solutions.
- Screening - pre-employment screening for a wide range of clients, including Government, public and private sector organisations.
- Marketing & Communications - providing graphic design print, website design, e-marketing, event management and social media services.

2019 has been a significant year for the business, achieving its strongest year of growth since inception. In respect of financial growth, turnover and operating profit far exceeded budget; and commercially, growth can be evidenced to servicing an increased client portfolio and a broader sector range.

The success of the year has been the result of clearly defined strategic path and an agile operating platform, meaning the potential of commercial opportunities have been fulfilled. We continue to work and devote our efforts to long-term growth and the execution of a 5-year strategic plan.

The business continues to be underpinned by our core values of Respect, Reputation and Responsibility and 2019 further championed our Great Place To Work initiative. Our people are at the core of everything we do and are intrinsic to the Agenda brand. Staff retention rates strengthened again in 2019. We are proud of our long-service employees as well as our commitment to invest heavily in new starters and supporting business growth.

September 2019 saw the appointment of R Millard as Managing Director who brings extensive sector experience to the business. This key appointment together with the March 2019 appointment of J Middleton as Finance Director will facilitate the phased retirement of P Sanders.

The turnover of the company was as follows:

2019	2018
£12.4m	£10.7m

There has also been an increase in staff numbers from 151 in 2018 to 158 in 2019 in support of the businesses strategic growth.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The management of the company business and the execution of the company strategies are of course subject to a number of risks.

The key business risks affecting the company are considered to relate to competition and market risks in the company's key areas of operation.

The company finances are well managed with an excellent relationship with its banking partner. It has minimal interest rate exposure.

The company monitors credit risk closely and considers that its current policies of finance checks on potential clients meet its objectives of managing exposure to credit risk.

In 2016 the UK voted to leave the European Economic Union and whilst there has been no immediate impact, we will continue to monitor developments in line with our overall environment scanning.

**KEY PERFORMANCE INDICATORS**

Given the straightforward nature of the business, the directors closely monitor key performance indicators and progress towards strategic objectives; 2019 showed continued momentum towards our 2020 strategic goals.

**ON BEHALF OF THE BOARD:**

Mr P D Sanders - Director

**Report of the Directors  
for the year ended 31st December 2019**

The directors present their report with the financial statements of the company for the year ended 31st December 2019.

**DIVIDENDS**

The directors recommend that no final dividends be paid.

The total distribution of dividends for the year ended 31st December 2019 will be £367,000.

**EVENTS SINCE THE END OF THE YEAR**

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

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2019 to the date of this report.

Mr P D Sanders

Mr T A Sanders

Other changes in directors holding office are as follows:

Mrs J L Middleton - appointed 5th September 2019

Mr R A Millard - appointed 30th September 2019

Mr T A McGuire - resigned 7th April 2020

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**ON BEHALF OF THE BOARD:**

Mrs H F Sanders - Secretary

28th May 2020

## **Report of the Independent Auditors to the Members of Agenda Resource Management Limited**

### **Opinion**

We have audited the financial statements of Agenda Resource Management Limited (the 'company') for the year ended 31st December 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31st December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

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

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Report of the Independent Auditors to the Members of Agenda Resource Management Limited**

### **Responsibilities of directors**

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

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

### **Auditors' responsibilities for the audit of the financial statements**

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

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

### **Use of our report**

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

Nicola Shipley FCA (Senior Statutory Auditor)  
for and on behalf of Smailes Goldie  
Chartered Accountants  
Statutory Auditor  
Regent's Court  
Princess Street  
Hull  
East Yorkshire HU2 8BA

19th June 2020

**Agenda Resource Management Limited (Registered number: 03295323)**

**Statement of Comprehensive Income  
for the year ended 31st December 2019**

	Notes	2019 £	2018 £
<b>TURNOVER</b>	3	<b>12,445,949</b>	10,662,338
Cost of sales		<u>8,380,905</u>	<u>7,520,410</u>
<b>GROSS PROFIT</b>		<b>4,065,044</b>	3,141,928
Administrative expenses		<u>3,019,454</u>	<u>2,867,446</u>
		<b>1,045,590</b>	274,482
Other operating income		<u>38,752</u>	<u>36,824</u>
<b>OPERATING PROFIT</b>	5	<b>1,084,342</b>	311,306
Exceptional item	6	<u>-</u>	<u>99,000</u>
		<b>1,084,342</b>	212,306
Interest payable and similar expenses	7	<u>11,260</u>	<u>13,032</u>
<b>PROFIT BEFORE TAXATION</b>		<b>1,073,082</b>	199,274
Tax on profit	8	<u>167,483</u>	<u>44,626</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>905,599</b>	154,648
<b>OTHER COMPREHENSIVE INCOME</b>			
Revaluation of assets			
Income tax relating to other comprehensive income		-	-
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<b>905,599</b>	154,648

The notes form part of these financial statements

**Agenda Resource Management Limited (Registered number: 03295323)**

**Balance Sheet  
31st December 2019**

	Notes	2019		2018	
		£	£	£	£
<b>FIXED ASSETS</b>					
Intangible assets	10		67,854		56,335
Tangible assets	11		780,875		770,146
Investments	12		-		-
Investment property	13		352,188		352,188
			<u>1,200,917</u>		<u>1,178,669</u>
<b>CURRENT ASSETS</b>					
Stocks	14	70,558		52,203	
Debtors	15	2,145,141		1,412,898	
Cash in hand		2,998		4,495	
		<u>2,218,697</u>		<u>1,469,596</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	16	2,386,960		2,146,719	
<b>NET CURRENT LIABILITIES</b>			<u>(168,263)</u>		<u>(677,123)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>1,032,654</u>		<u>501,546</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	17		(18,588)		(31,680)
<b>PROVISIONS FOR LIABILITIES</b>	20		<u>(26,599)</u>		<u>(20,998)</u>
<b>NET ASSETS</b>			<u>987,467</u>		<u>448,868</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	21		10,000		10,000
Share premium	22		47,500		47,500
Revaluation reserve	22		212,935		215,083
Capital redemption reserve	22		2,500		2,500
Retained earnings	22		714,532		173,785
<b>SHAREHOLDERS' FUNDS</b>			<u>987,467</u>		<u>448,868</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28th May 2020 and were signed on its behalf by:

Mr P D Sanders - Director

**Statement of Changes in Equity  
for the year ended 31st December 2019**

	Called up share capital £	Retained earnings £	Share premium £
<b>Balance at 1st January 2018</b>	10,000	401,977	47,500
<b>Changes in equity</b>			
Dividends	-	(384,988)	-
Total comprehensive income	-	154,648	-
Transfer from revaluation reserve	-	2,148	-
<b>Balance at 31st December 2018</b>	<u>10,000</u>	<u>173,785</u>	<u>47,500</u>
<b>Changes in equity</b>			
Dividends	-	(367,000)	-
Total comprehensive income	-	905,599	-
Transfer from revaluation reserve	-	2,148	-
<b>Balance at 31st December 2019</b>	<u>10,000</u>	<u>714,532</u>	<u>47,500</u>
	Revaluation reserve £	Capital redemption reserve £	Total equity £
<b>Balance at 1st January 2018</b>	217,231	2,500	679,208
<b>Changes in equity</b>			
Dividends	-	-	(384,988)
Total comprehensive income	-	-	154,648
Transfer from revaluation reserve	(2,148)	-	-
<b>Balance at 31st December 2018</b>	<u>215,083</u>	<u>2,500</u>	<u>448,868</u>
<b>Changes in equity</b>			
Dividends	-	-	(367,000)
Total comprehensive income	-	-	905,599
Transfer from revaluation reserve	(2,148)	-	-
<b>Balance at 31st December 2019</b>	<u>212,935</u>	<u>2,500</u>	<u>987,467</u>

**Cash Flow Statement**  
for the year ended 31st December 2019

	Notes	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	667,635	528,652
Interest paid		(8,130)	(9,667)
Interest element of hire purchase payments paid		(3,130)	(3,365)
Tax paid		(37,121)	(84,205)
Net cash from operating activities		<u>619,254</u>	<u>431,415</u>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets		(49,532)	(16,757)
Purchase of tangible fixed assets		(88,466)	(21,887)
Sale of intangible fixed assets		5,000	-
Sale of tangible fixed assets		10,673	14,950
Net cash from investing activities		<u>(122,325)</u>	<u>(23,694)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		(25,013)	(26,796)
Equity dividends paid		(367,000)	(384,988)
Net cash from financing activities		<u>(392,013)</u>	<u>(411,784)</u>
<b>Increase/(decrease) in cash and cash equivalents</b>		<u>104,916</u>	<u>(4,063)</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(352,088)	(348,025)
<b>Cash and cash equivalents at end of year</b>	2	<u>(247,172)</u>	<u>(352,088)</u>

Notes to the Cash Flow Statement  
for the year ended 31st December 2019

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2019	2018
	£	£
Profit before taxation	1,073,082	199,274
Depreciation charges	110,772	119,900
(Profit)/loss on disposal of fixed assets	(10,695)	1,158
Government grants	(5,252)	(3,322)
Finance costs	11,260	13,032
	<u>1,179,167</u>	<u>330,042</u>
Increase in stocks	(18,355)	(20,015)
(Increase)/decrease in trade and other debtors	(732,243)	101,300
Increase in trade and other creditors	239,066	117,325
<b>Cash generated from operations</b>	<u><b>667,635</b></u>	<u><b>528,652</b></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31st December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	2,998	4,495
Bank overdrafts	(250,170)	(356,583)
	<u>(247,172)</u>	<u>(352,088)</u>

Year ended 31st December 2018

	31.12.18	1.1.18
	£	£
Cash and cash equivalents	4,495	2,347
Bank overdrafts	(356,583)	(350,372)
	<u>(352,088)</u>	<u>(348,025)</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.19	Cash flow	At 31.12.19
	£	£	£
<b>Net cash</b>			
Cash at bank and in hand	4,495	(1,497)	2,998
Bank overdrafts	(356,583)	106,413	(250,170)
	<u>(352,088)</u>	<u>104,916</u>	<u>(247,172)</u>
<b>Debt</b>			
Finance leases	(49,150)	25,013	(24,137)
	<u>(49,150)</u>	<u>25,013</u>	<u>(24,137)</u>
<b>Total</b>	<u><b>(401,238)</b></u>	<u><b>129,929</b></u>	<u><b>(271,309)</b></u>

**Notes to the Financial Statements  
for the year ended 31st December 2019**

**1. STATUTORY INFORMATION**

Agenda Resource Management Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

Agenda Resource Management Limited is a limited company incorporated in the United Kingdom. The address of the registered office is given in the company information on page 1 of these financial statements.

The financial statements have been prepared in accordance with applicable accounting standards including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006. The financial statements have been prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

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

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for the provision of resource management, pre-employment security screening and marketing services to the customers. Turnover is shown net of Value Added Tax.

**Interest receivable and other income**

Interest income is recognised using the effective interest method.

**Intangible assets**

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

**Tangible fixed assets**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Freehold property	- 2.5%, freehold land is not depreciated
Plant and machinery	- 15% - 33%
Motor vehicles	- 25% - 33%

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

**Investments in subsidiaries**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value through profit or loss if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value. Cost of finished goods and work in progress includes overheads appropriate to the stage of completion. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

2. **ACCOUNTING POLICIES - continued**

**Taxation**

Current tax represents the amount of tax payable or receivable in respect of the taxable profit (or loss) for the current or past reporting periods. It is measured at the amount expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods. It is recognised in respect of all timing differences, with certain exceptions. Timing differences are differences between taxable profits and total comprehensive income as stated in the financial statements that arise from the inclusion of income and expense in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences. Deferred tax on revalued non-depreciable tangible fixed assets and investment properties is measured using the rates and allowances that apply to the sale of the asset.

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Leasing commitments**

Assets acquired under finance leases are capitalised and depreciated over the shorter of the lease term and the expected useful life of the asset. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding lease liability using the effective interest method. The related obligations, net of future finance charges, are included in creditors.

Where goods are sold using finance leases, the entity recognises turnover from the sale of goods and the rights to receive future lease payments as a debtor. Minimum lease payments are apportioned between finance income and the reduction of the lease debtor with finance income allocated so as to produce a constant periodic rate of interest on the net investment in the finance lease.

Rentals payable and receivable under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**Employee benefits**

When employees have rendered service to the company, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The company operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

**Debtors and creditors receivable/payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

**Loans and borrowings**

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

**Impairment**

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

3. **TURNOVER**

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover by class of business is given below:

	2019 £	2018 £
Facilities	9,251,124	8,266,274
Screening	2,769,552	1,975,034
Marketing	241,485	285,598
Other	183,788	135,432
	<u>12,445,949</u>	<u>10,662,338</u>

An analysis of turnover by geographical market is given below:

	2019 £	2018 £
United Kingdom	12,264,249	10,461,823
Overseas	181,700	200,515
	<u>12,445,949</u>	<u>10,662,338</u>

4. **EMPLOYEES AND DIRECTORS**

The aggregate payroll costs of the above were:

	2019 £	2018 £
Wages and salaries	3,884,406	3,627,555
Social security costs	342,952	319,541
Other pension costs	179,684	157,928
	<u>4,407,042</u>	<u>4,105,024</u>

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

	2019 No	2018 No
Head office	62	60
Managers	6	6
Technicians	85	79
Directors	5	6
	<u>158</u>	<u>151</u>

	2019 £	2018 £
Directors' remuneration	418,197	463,244
Directors' pension contributions to money purchase schemes	<u>14,975</u>	<u>24,042</u>

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

Money purchase schemes	<u>4</u>	<u>4</u>
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Notes to the Financial Statements - continued  
for the year ended 31st December 2019

4. **EMPLOYEES AND DIRECTORS - continued**

Information regarding the highest paid director is as follows:

	2019	2018
	£	£
Emoluments etc	131,429	139,266
Pension contributions to money purchase schemes	<u>4,910</u>	<u>4,575</u>

5. **OPERATING PROFIT**

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

	2019	2018
	£	£
Depreciation - owned assets	55,981	55,040
Depreciation - assets on hire purchase contracts	21,732	28,932
(Profit)/loss on disposal of fixed assets	(10,695)	1,158
Patents and licences amortisation	33,059	35,928
Auditors' remuneration	9,500	9,000
Auditors' remuneration for non audit work	5,875	4,945
Foreign exchange differences	1,139	1,445
Other operating lease rentals	17,259	73,430
Government grants	<u>(5,252)</u>	<u>(3,322)</u>

6. **EXCEPTIONAL ITEMS**

	2019	2018
	£	£
Exceptional item	<u>-</u>	<u>(99,000)</u>

The exceptional item relates to a related company debt which was written off during the previous year.

7. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	2019	2018
	£	£
Bank interest	8,130	9,667
Hire purchase	<u>3,130</u>	<u>3,365</u>
	<u>11,260</u>	<u>13,032</u>

8. **TAXATION**

**Analysis of the tax charge**

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

	2019	2018
	£	£
Current tax:		
UK corporation tax	201,722	69,367
Under provision in prior years	<u>(39,840)</u>	<u>(16,308)</u>
Total current tax	161,882	53,059
Deferred tax	<u>5,601</u>	<u>(8,433)</u>
Tax on profit	<u>167,483</u>	<u>44,626</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

8. TAXATION - continued

**Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £	2018 £
Profit before tax	<u>1,073,082</u>	<u>199,274</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	<b>203,886</b>	37,862
Effects of:		
Expenses not deductible for tax purposes	<b>6,567</b>	23,072
Adjustments to tax charge in respect of previous periods	<b>(39,840)</b>	(16,308)
Change in rate of deferred tax	<b>(3,130)</b>	-
Total tax charge	<u><b>167,483</b></u>	<u>44,626</u>

**Tax effects relating to effects of other comprehensive income**

There were no tax effects for the year ended 31st December 2019.

9. DIVIDENDS

	2019 £	2018 £
Interim paid		
A Ordinary shares	<b>150,000</b>	184,994
B Ordinary shares	<b>150,000</b>	184,994
C Ordinary shares	<b>37,000</b>	5,000
D Ordinary shares	<b>15,000</b>	5,000
E Ordinary shares	<b>15,000</b>	5,000
	<u><b>367,000</b></u>	<u>384,988</u>

10. INTANGIBLE FIXED ASSETS

	Patents and licences £
<b>COST</b>	
At 1st January 2019	<b>284,348</b>
Additions	<b>49,532</b>
Disposals	<b>(5,754)</b>
At 31st December 2019	<u><b>328,126</b></u>
<b>AMORTISATION</b>	
At 1st January 2019	<b>228,013</b>
Amortisation for year	<b>33,059</b>
Eliminated on disposal	<b>(800)</b>
At 31st December 2019	<u><b>260,272</b></u>
<b>NET BOOK VALUE</b>	
At 31st December 2019	<u><b>67,854</b></u>
At 31st December 2018	<u>56,335</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

11. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
<b>COST OR VALUATION</b>				
At 1st January 2019	665,962	290,515	154,508	1,110,985
Additions	1,844	54,649	31,973	88,466
Disposals	-	(10,892)	(31,620)	(42,512)
At 31st December 2019	<u>667,806</u>	<u>334,272</u>	<u>154,861</u>	<u>1,156,939</u>
<b>DEPRECIATION</b>				
At 1st January 2019	69,663	201,565	69,611	340,839
Charge for year	8,860	35,157	33,696	77,713
Eliminated on disposal	-	(10,868)	(31,620)	(42,488)
At 31st December 2019	<u>78,523</u>	<u>225,854</u>	<u>71,687</u>	<u>376,064</u>
<b>NET BOOK VALUE</b>				
At 31st December 2019	<u>589,283</u>	<u>108,418</u>	<u>83,174</u>	<u>780,875</u>
At 31st December 2018	<u>596,299</u>	<u>88,950</u>	<u>84,897</u>	<u>770,146</u>

Included in cost or valuation of land and buildings is freehold land of £ 129,175 (2018 - £ 129,175 ) which is not depreciated.

Tangible fixed assets with a net book value of £589,283 (2018 - £569,299) have been pledged as security for liabilities of the company.

Cost or valuation at 31st December 2019 is represented by:

	Freehold property £	Plant and machinery £	Motor vehicles £	Totals £
Valuation in 2015	111,531	-	-	111,531
Cost	<u>556,275</u>	<u>334,272</u>	<u>154,861</u>	<u>1,045,408</u>
	<u>667,806</u>	<u>334,272</u>	<u>154,861</u>	<u>1,156,939</u>

In the opinion of the directors, the value of the freehold building of £667,806 (2018 - 665,962), is considered to be the value at the year end.

In respect of certain fixed assets stated at valuation, the comparable historical cost and depreciation values are as follows:

	2019 £	2018 £
Net book value at end of year	<u>211,505</u>	<u>216,373</u>
Historical cost	<u>556,275</u>	<u>554,429</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

11. TANGIBLE FIXED ASSETS - continued

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

	<b>Motor vehicles £</b>
<b>COST OR VALUATION</b>	
At 1st January 2019	131,808
Disposals	<u>(31,620)</u>
At 31st December 2019	<u>100,188</u>
<b>DEPRECIATION</b>	
At 1st January 2019	59,403
Charge for year	21,732
Eliminated on disposal	<u>(31,620)</u>
At 31st December 2019	<u>49,515</u>
<b>NET BOOK VALUE</b>	
At 31st December 2019	<u>50,673</u>
At 31st December 2018	<u>72,405</u>

12. FIXED ASSET INVESTMENTS

	<b>Shares in group undertakings £</b>
<b>COST</b>	
At 1st January 2019 and 31st December 2019	<u>60,002</u>
<b>PROVISIONS</b>	
At 1st January 2019 and 31st December 2019	<u>60,002</u>
<b>NET BOOK VALUE</b>	
At 31st December 2019	<u>-</u>
At 31st December 2018	<u>-</u>

13. INVESTMENT PROPERTY

	<b>Total £</b>
<b>FAIR VALUE</b>	
At 1st January 2019 and 31st December 2019	<u>352,188</u>
<b>NET BOOK VALUE</b>	
At 31st December 2019	<u>352,188</u>
At 31st December 2018	<u>352,188</u>

In the opinion of the directors, the above amount is considered to the value of the property at the year end.

Tangible fixed assets with a net book value of £352,188 (2018 - £352,188) have been pledged as security for liabilities of the company.

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

14.	<b>STOCKS</b>		
		2019	2018
		£	£
	Stocks	6,342	5,647
	Work-in-progress	<u>64,216</u>	<u>46,556</u>
		<u>70,558</u>	<u>52,203</u>
15.	<b>DEBTORS</b>		
		2019	2018
		£	£
	Amounts falling due within one year:		
	Trade debtors	1,841,914	1,217,726
	Other debtors	79,015	7,814
	Prepayments and accrued income	<u>216,547</u>	<u>187,358</u>
		<u>2,137,476</u>	<u>1,412,898</u>
	Amounts falling due after more than one year:		
	Prepayments and accrued income	<u>7,665</u>	-
	Aggregate amounts	<u>2,145,141</u>	<u>1,412,898</u>
16.	<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
		2019	2018
		£	£
	Bank loans and overdrafts (see note 18)	250,170	356,583
	Hire purchase contracts (see note 19)	14,857	24,018
	Trade creditors	905,204	868,755
	Tax	194,128	69,367
	Social security and other taxes	401,882	358,232
	Other creditors	35,685	185,879
	Accruals and deferred income	<u>585,034</u>	<u>283,885</u>
		<u>2,386,960</u>	<u>2,146,719</u>
17.	<b>CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
		2019	2018
		£	£
	Hire purchase contracts (see note 19)	9,280	25,132
	Accruals and deferred income	<u>9,308</u>	<u>6,548</u>
		<u>18,588</u>	<u>31,680</u>
18.	<b>LOANS</b>		
	An analysis of the maturity of loans is given below:		
		2019	2018
		£	£
	Amounts falling due within one year or on demand:		
	Bank overdrafts	<u>250,170</u>	<u>356,583</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

19. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	<b>Hire purchase contracts</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	<b>14,857</b>	24,018
Between one and five years	<b>9,280</b>	25,132
	<b><u>24,137</u></b>	<u>49,150</u>
	<b>Non-cancellable operating leases</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Within one year	<b>25,596</b>	10,174
Between one and five years	<b>32,308</b>	4,031
	<b><u>57,904</u></b>	<u>14,205</u>

20. **PROVISIONS FOR LIABILITIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Deferred tax	<b><u>26,599</u></b>	<u>20,998</u>
		<b>Deferred tax</b>
		<b>£</b>
Balance at 1st January 2019		<b>20,998</b>
Charge to Statement of Comprehensive Income during year		<b>5,601</b>
Balance at 31st December 2019		<b><u>26,599</u></b>

The expected net reversal of deferred tax assets and liabilities in 2020 is £15,276. This is due to the reversal of accelerated capital allowances and other short term timing differences.

21. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			<b>2019</b>	<b>2018</b>
Number:	Class:	Nominal Value	<b>£</b>	<b>£</b>
3,800	A Ordinary	£1	<b>3,800</b>	3,800
3,800	B Ordinary	£1	<b>3,800</b>	3,800
800	C Ordinary	£1	<b>800</b>	800
800	D Ordinary	£1	<b>800</b>	800
800	E Ordinary	£1	<b>800</b>	800
			<b><u>10,000</u></b>	<u>10,000</u>

Notes to the Financial Statements - continued  
for the year ended 31st December 2019

22. RESERVES

	Retained earnings £	Share premium £	Revaluation reserve £	Capital redemption reserve £	Totals £
At 1st January 2019	173,785	47,500	215,083	2,500	438,868
Profit for the year	905,599	-	-	-	905,599
Dividends	(367,000)	-	-	-	(367,000)
Transfer from revaluation reserve	2,148	-	(2,148)	-	-
At 31st December 2019	<u>714,532</u>	<u>47,500</u>	<u>212,935</u>	<u>2,500</u>	<u>977,467</u>

**Called up share capital**

Called up share capital represents the nominal value of shares that have been issued.

**Share premium**

The share premium account represents the premium arising on the issue of shares net of issue costs. The reduction in the share premium account has been undertaken in accordance with Section 641 of the Companies Act 2006.

**Revaluation reserve**

The revaluation reserve represents the cumulate effect of revaluations of tangible fixed assets where a policy of revaluation has been adopted.

**Capital Redemption reserve**

The capital redemption reserve represents the non distributable reserves transferred after a purchase of the company's own shares.

**Retained earnings**

Retained earnings represents cumulative profits and losses net of dividends and other adjustments.

23. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for directors and employees. The pension cost includes £23,061 (2018 - £18,167) accrued at the end of the year.

24. CAPITAL COMMITMENTS

	2019 £	2018 £
Contracted but not provided for in the financial statements	<u>30,098</u>	<u>5,000</u>

25. RELATED PARTY DISCLOSURES

The company was under joint control of P D and H F Sanders, as they jointly own the majority of the issued share capital.

Included within other debtors at the year end is £10,676 (2018 - £6,274) due from related companies with significant interest .

Included within other debtors (2018 - other creditors) at the year end is £64,369 (2018 - £155,406) due from (2018 - owed to) the director and shareholder with significant interest.

During the year the company sold a car to a shareholder for £9,000, at the balance sheet date there is nothing outstanding.

During the year, a total of key management personnel compensation of £ 795,254 (2018 - £ 832,771 ) was paid.

**Notes to the Financial Statements - continued  
for the year ended 31st December 2019**

**26. POST BALANCE SHEET EVENTS**

Reports of a novel virus known as Covid-19 were first made in China in December 2019 and since that date cases have spread worldwide leading to various restrictions on movement and businesses being imposed. The full financial impact of such restrictions is not yet known however, whilst this presents some uncertainties, those restrictions have not at the date of signing the financial statements, impacted in any material way on the business. The company has put several measures in place to mitigate the risks to staff and the business for the inevitable impact of Covid-19, including taking advantage of various government schemes. The diversity of business operations and the funding and support of the Company's bankers mean the directors are hopeful the impact should remain low in the months ahead.

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.