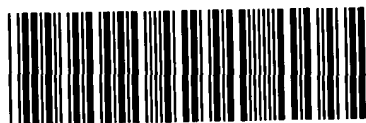


Company Registration No. 01318162 (England and Wales)

**PETER R. BECK ENGINEERING SERVICES  
LIMITED**

**REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31 DECEMBER 2019**

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# **PETER R. BECK ENGINEERING SERVICES LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	P R Beck M R Beck J R Beck C R Beck N D Beck
<b>Secretary</b>	M R Beck
<b>Company number</b>	01318162
<b>Registered office</b>	Forest View 108 Thornton Lane Markfield Leicestershire LE67 9RP
<b>Auditor</b>	RSM UK Audit LLP Chartered Accountants Rivermead House 7 Lewis Court Grove Park Leicester Leicestershire LE19 1SD

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# PETER R. BECK ENGINEERING SERVICES LIMITED

## DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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The directors present their annual report and financial statements for the year ended 31 December 2019.

### Principal activities

The principal activity of the company continued to be that of a holding company. The principal activities of the group continued to be that of the manufacture of machinery and processing equipment for the mining, quarrying, recycling and demolition industries.

### Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P R Beck

M R Beck

J R Beck

C R Beck

N D Beck

(Appointed 22 May 2020)

(Appointed 22 May 2020)

### Results and dividends

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

### Auditor

In accordance with the company's articles, a resolution proposing that RSM UK Audit LLP be reappointed as auditor of the group will be put at a General Meeting.

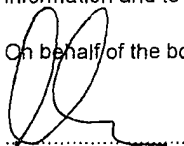
### Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of a fair review of its business, its principal risks and uncertainties, and future developments.

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



C R Beck

Director

Date: 29/9/20

# PETER R. BECK ENGINEERING SERVICES LIMITED

## STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2019

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

### Fair review of the business

The management team and directors are satisfied with the performance of the group given this has been achieved against a backdrop of economic instability due to uncertainty over Brexit. Turnover has fallen by 2.3% to £7,971k but the business has been able to successfully increase profitability at operating margin level from 6.53% to 8.27%. Trading profit before tax was £125,772 higher than in the prior year following a focus on administrative expenses which will ensure the business has a strong basis on which to move forward.

Core business sales remained strong but the uncertainty surrounding the Brexit negotiations impacted capital plant sales within the UK.

The company continues to hold a significant stock holding and strong cash reserves which coupled with previous investment in manufacturing technology place the company in a strong financial position to maintain growth.

At the year end the group had shareholders' funds of £9.69m (2018: £9.13m) including distributable reserves of £9.69m (2018: £9.12m) leaving a strong financial position, particularly given the net current assets position at the year-end was £6.94m (2018: £6.29m) and cash reserves of £1.43m (2018: £1.03m).

### Principal risks and uncertainties

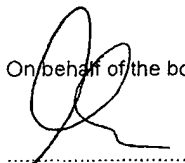
The directors believe the principal risk facing the company to be the potential impact of the global macro-economic environment on the business including; fluctuating exchange rates, the uncertainty over Brexit and the 2020 Coronavirus pandemic. Deep cash reserves, a large stock holding and a lack of borrowing will help the company to successfully mitigate the impacts of the 2020 Covid-19 pandemic. Whilst sales in the current financial year have been affected due to imposed lockdowns, the geographical spread of customers and the ability to maintain manufacturing throughout have alleviated any impact on turnover.

The directors have put in place a number of measures to manage the ongoing risk to trading presented by Brexit, including but not limited to; maintaining and expanding a reliable and extensive supplier list, implementing robust import and export systems and continuing to maintain quality service levels and a competitive product. Combined with investing in stock and infrastructure and close monitoring of the global financial markets the company continues to look forward to the future with optimism.

### Financial risk management objectives and policies

The group made use of financial instruments only through the operation of bank accounts and other basic means. The directors believe the group's exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and profit or loss of the group.

On behalf of the board



C R Beck  
Director

Date: 29/9/20

## **PETER R. BECK ENGINEERING SERVICES LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and 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 company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER R. BECK ENGINEERING SERVICES LIMITED**

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### **Opinion**

We have audited the financial statements of Peter R. Beck Engineering Services Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2019 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2019 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's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or the parent 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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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 our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PETER R. BECK ENGINEERING SERVICES LIMITED (CONTINUED)**

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

In the light of the knowledge and understanding of the group and the parent company and their 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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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 directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <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.

*RSP UK Audit LLP*

Gareth Jones (Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

Rivermead House

7 Lewis Court

Grove Park

Leicester

Leicestershire, LE19 1SD

30/09/2020

# **PETER R. BECK ENGINEERING SERVICES LIMITED**

## **CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
Turnover	3	7,970,558	8,154,675
Cost of sales		(5,346,770)	(5,191,170)
<b>Gross profit</b>		<b>2,623,788</b>	<b>2,963,505</b>
Administrative expenses		(1,968,317)	(2,435,900)
Other operating income		3,340	5,159
<b>Operating profit</b>	6	<b>658,811</b>	<b>532,764</b>
Interest receivable and similar income	8	564	839
<b>Profit before taxation</b>		<b>659,375</b>	<b>533,603</b>
Tax on profit	9	(95,949)	(47,528)
<b>Profit for the financial year</b>		<b>563,426</b>	<b>486,075</b>

Profit for the financial year is all attributable to the owners of the parent company.

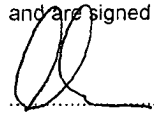
Total comprehensive income for the year is all attributable to the owners of the parent company.



**PETER R. BECK ENGINEERING SERVICES LIMITED****CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2019**

	Notes	2019 £	£	2018 £	£
<b>Fixed assets</b>					
Tangible assets	11		2,807,138		2,936,470
<b>Current assets</b>					
Stocks	14	5,267,170		5,302,351	
Debtors	15	1,690,805		1,913,529	
Cash at bank and in hand		1,434,933		1,025,472	
		8,392,908		8,241,352	
<b>Creditors: amounts falling due within one year</b>	16	(1,448,709)		(1,950,640)	
<b>Net current assets</b>			6,944,199		6,290,712
<b>Total assets less current liabilities</b>			9,751,337		9,227,182
<b>Provisions for liabilities</b>	17		(62,837)		(102,108)
<b>Net assets</b>			9,688,500		9,125,074
<b>Capital and reserves</b>					
Called up share capital	19		1,000		1,000
Profit and loss reserves	20		9,687,500		9,124,074
<b>Total equity</b>			9,688,500		9,125,074

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

 29/09/20

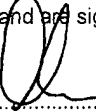
C R Beck  
Director

**PETER R. BECK ENGINEERING SERVICES LIMITED****COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 DECEMBER 2019**

	Notes	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		1,951,719		1,984,372
Investments	12		32,328		32,328
			<u>1,984,047</u>		<u>2,016,700</u>
<b>Current assets</b>					
Debtors	15	297,513		404,435	
Cash at bank and in hand		122,429		111,091	
		<u>419,942</u>		<u>515,526</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(139,138)</u>		<u>(366,963)</u>	
<b>Net current assets</b>			<u>280,804</u>		<u>148,563</u>
<b>Total assets less current liabilities</b>			<u>2,264,851</u>		<u>2,165,263</u>
<b>Provisions for liabilities</b>	17		<u>25,344</u>		<u>(15,219)</u>
<b>Net assets</b>			<u><u>2,290,195</u></u>		<u><u>2,150,044</u></u>
<b>Capital and reserves</b>					
Called up share capital	19		1,000		1,000
Profit and loss reserves	20		<u>2,289,195</u>		<u>2,149,044</u>
<b>Total equity</b>			<u><u>2,290,195</u></u>		<u><u>2,150,044</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's profit for the year was £140,151 (2018 - £74,437 profit).

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

 29/9/20

C R Beck  
Director

# PETER R. BECK ENGINEERING SERVICES LIMITED

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2018</b>		1,000	8,647,199	8,648,199
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	486,075	486,075
Dividends	10	-	(9,200)	(9,200)
<b>Balance at 31 December 2018</b>		1,000	9,124,074	9,125,074
<b>Year ended 31 December 2019:</b>				
Profit and total comprehensive income for the year		-	563,426	563,426
<b>Balance at 31 December 2019</b>		1,000	9,687,500	9,688,500

# **PETER R. BECK ENGINEERING SERVICES LIMITED**

## **COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	Share capital £	Profit and loss reserves £	Total £
<b>Balance at 1 January 2018</b>		1,000	2,083,807	2,084,807
<b>Year ended 31 December 2018:</b>				
Profit and total comprehensive income for the year		-	74,437	74,437
Dividends	10	-	(9,200)	(9,200)
<b>Balance at 31 December 2018</b>		1,000	2,149,044	2,150,044
<b>Year ended 31 December 2019:</b>				
Profit and total comprehensive income for the year		-	140,151	140,151
<b>Balance at 31 December 2019</b>		1,000	2,289,195	2,290,195

# PETER R. BECK ENGINEERING SERVICES LIMITED

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019

	Notes	2019 £	£	2018 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26	703,058		354,403	
Interest received		564		839	
Income taxes paid		(90,693)		(71,895)	
<b>Net cash inflow from operating activities</b>		<u>612,929</u>		<u>283,347</u>	
<b>Investing activities</b>					
Purchase of tangible fixed assets		(249,467)		(460,532)	
Proceeds on disposal of tangible fixed assets		<u>45,999</u>		<u>18,750</u>	
<b>Net cash used in investing activities</b>		<u>(203,468)</u>		<u>(441,782)</u>	
<b>Financing activities</b>					
Dividends paid to equity shareholders		-		(9,200)	
<b>Net cash used in financing activities</b>		<u>-</u>		<u>(9,200)</u>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<u>409,461</u>		<u>(167,635)</u>	
Cash and cash equivalents at beginning of year		<u>1,025,472</u>		<u>1,193,107</u>	
<b>Cash and cash equivalents at end of year</b>		<u><u>1,434,933</u></u>		<u><u>1,025,472</u></u>	

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

#### Company information

Peter R. Beck Engineering Services Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Forest View, 108 Thornton Lane, Markfield, Leicestershire, LE67 9RP. The principal place of business is Grange Road, Bardon Hill, Coalville, LE67 1TH.

The group consists of Peter R. Beck Engineering Services Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

#### Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", including the adoption of the amendments issued in December 2017, ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### Reduced disclosures

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The company is consolidated in these financial statements.

#### Basis of consolidation

The consolidated financial statements incorporate those of Peter R. Beck Engineering Services Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 December 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

---

#### 1 Accounting policies (Continued)

##### **Basis of consolidation (continued)**

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

##### **Going concern**

The financial statements have been prepared on a going concern basis. The directors have carried out a detailed review, covering the period to 30 September 2021 having considered its order book going forward and their ability to fulfil this demand. Having considered this, the group's/company's resources, and the challenges presented by the current economic climate and the impact of the Covid-19 outbreak, the directors are satisfied that based on the current level of cash reserves and its stock holding, the group has sufficient cash flows to meet its liabilities as they fall due for at least one year from the date of approval of the financial statements.

##### **Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Turnover is recognised when it and the associated costs can be measured reliably, future economic benefits are probable, and the risks and rewards of ownership have transferred to the customer.

Turnover from the sale of goods is recognised when goods are despatched and legal title has passed, and the company has no continuing managerial involvement associated with ownership or effective control of the goods sold.

Turnover from the provision of services is recognised on performance of the service and when all the significant risks and rewards are deemed to be transferred.

##### **Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line basis
Property improvements	10% or 20% straight line basis
Plant and equipment	30% reducing balance basis
Fixtures and fittings	15% reducing balance basis or 33.3% straight line basis
Motor vehicles	25% reducing balance basis

Freehold land and assets in the course of construction are not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

The group has a policy to capitalise all fixed assets over £5,000.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies (Continued)

##### **Fixed asset investments**

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

##### **Impairment of fixed assets**

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

##### **Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

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

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

##### **Financial instruments**

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.



# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies (Continued)

#### **Basic financial assets**

Basic financial assets, which include trade and other debtors, amounts owed by group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

#### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the group's contractual obligations are discharged, cancelled, or they expire.

#### **Equity instruments**

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

# **PETER R. BECK ENGINEERING SERVICES LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2019**

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#### **1 Accounting policies (Continued)**

##### **Taxation**

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

##### **Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### **Retirement benefits**

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

##### **Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

##### **Government grants**

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

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#### 1 Accounting policies (Continued)

##### Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

##### Exceptional items

The group presents as exceptional items on the face of the statement of comprehensive income those material items of income or expense, which because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow users of the accounts to better understand the elements of financial performance in the period, so as to facilitate comparison with prior periods.

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

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

##### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

##### Stocks

Stocks are valued at the lower cost and net realisable value. Net realisable value includes, where necessary, provisions for slow moving and obsolete stocks. Calculation of these provisions requires judgements to be made, which include forecasts of consumer demand, the promotional, competitive and economic environment and stock loss trends. At 31 December 2019 the group had stocks of £5,267,170 (2018: £5,302,351) after a stock provision of £nil (2018: £77,203).

##### Depreciation

The assessment of the useful economic lives, residual values and the method of depreciating tangible fixed assets requires judgement. Depreciation and is charged to the income statement based on the useful economic life selected, which requires an estimation of the period and profile over which the group expects to consume the future economic benefits embodied in the assets. Useful economic lives and residual values are re-assessed, and amended as necessary, when changes in their circumstances are identified. The carrying amount of tangible fixed assets of the group at 31 December 2019 was £2,807,138 (2018: £2,936,470), and depreciation of £337,952 (2018: £310,213) has been charged in the year. The carrying amount of tangible fixed assets of the company at 31 December 2019 was £1,951,719 (2018: £1,984,372), and depreciation of £33,253 (2018: £33,255) has been charged in the year.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 2 Judgements and key sources of estimation uncertainty (Continued)

#### **Impairment of debtors**

Debtors are stated at recoverable amounts, after appropriate impairment for bad and doubtful debts. Calculation of the bad debt impairment requires judgment from the management team, based on the creditworthiness of the debtor, the agency profile of the debtor, and the historical experience. See note 15 for the recoverable amount of debtors.

### 3 Turnover and other revenue

	2019 £	2018 £
<b>Turnover analysed by class of business</b>		
Manufacture and supply of processing equipment	7,970,558	8,154,675
	<u>          </u>	<u>          </u>
	2019 £	2018 £
<b>Other revenue</b>		
Interest income	564	839
Grants received	-	4,500
	<u>          </u>	<u>          </u>
	2019 £	2018 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	3,269,390	3,067,388
Europe	3,970,288	4,431,453
North America	275,645	321,846
Rest of the world	455,235	333,988
	<u>          </u>	<u>          </u>
	7,970,558	8,154,675
	<u>          </u>	<u>          </u>

### 4 Employees

The average monthly number of persons (including directors) employed during the year was:

	Group 2019 Number	2018 Number	Company 2019 Number	2018 Number
Direct staff	31	36	-	-
Indirect staff	18	17	-	-
Management	5	5	5	5
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	54	58	5	5
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 4 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Wages and salaries	1,551,459	2,028,561	(50,000)	366,400
Social security costs	139,966	201,754	(12,492)	45,976
Pension costs	155,747	138,828	110,000	106,944
	<u>1,847,172</u>	<u>2,369,143</u>	<u>47,508</u>	<u>519,320</u>

### 5 Directors' remuneration

	2019 £	2018 £
Remuneration for qualifying services	13,888	156,405
Company pension contributions to defined contribution schemes	30,000	33,000
	<u>43,888</u>	<u>189,405</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 3 (2018 - 3).

### 6 Operating profit

	2019 £	2018 £
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	18,668	29,047
Government grants	-	(4,500)
Depreciation of owned tangible fixed assets	337,952	310,213
(Profit)/loss on disposal of tangible fixed assets	(5,152)	647
Operating lease charges	<u>88,348</u>	<u>41,804</u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to a loss of £18,668 (2018: 29,047).

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

<b>7 Auditor's remuneration</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees payable to the company's auditor and its associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	2,500	1,500
Audit of the financial statements of the company's subsidiaries	12,500	10,000
	<u>15,000</u>	<u>11,500</u>
<b>8 Interest receivable and similar income</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	546	839
Other interest income	18	-
	<u>564</u>	<u>839</u>
<b>9 Taxation</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	100,800	56,273
Adjustments in respect of prior periods	34,420	-
	<u>135,220</u>	<u>56,273</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	1,526	2,925
Adjustment in respect of prior periods	(40,797)	(11,670)
	<u>(39,271)</u>	<u>(8,745)</u>
<b>Total tax charge</b>	<u>95,949</u>	<u>47,528</u>

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2019

#### 9 Taxation (Continued)

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	2019 £	2018 £
Profit before taxation	659,375	533,603
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	125,281	101,385
Tax effect of expenses that are not deductible in determining taxable profit	730	1,287
Adjustments in respect of prior years	(51,974)	(11,670)
Depreciation on assets not qualifying for tax allowances	5,881	6,270
Research and development tax credit	(29,385)	(49,400)
Under/(over) provided in prior years	45,597	-
Effect of changes in taxation rates	(181)	(344)
Taxation charge	95,949	47,528

#### Factors that may affect future tax charge

Following the March 2020 budget, legislation is being put into place for the main rate of corporation tax to remain at 19% from 1 April 2020 instead of reducing to 17%. The deferred tax balances within these financial statements have been calculated at 17%.

#### 10 Dividends

	2019 Per share £	2018 Per share £	2019 Total £	2018 Total £
<b>Ordinary shares</b>				
Final paid	-	9.20	-	9,200
<b>Total dividends</b>				
Final paid			-	9,200

**PETER R. BECK ENGINEERING SERVICES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

**11 Tangible fixed assets**

<b>Group</b>	<b>Freehold land and buildings £</b>	<b>Property improvements £</b>	<b>Assets under construction £</b>	<b>Plant and equipment £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>							
At 1 January 2019	2,190,376	44,473	73,397	2,012,443	108,691	417,651	4,847,031
Additions	-	-	600	107,959	-	140,908	249,467
Disposals	-	-	-	(17,853)	-	(58,700)	(76,553)
At 31 December 2019	2,190,376	44,473	73,997	2,102,549	108,691	499,859	5,019,945
<b>Depreciation and impairment</b>							
At 1 January 2019	282,241	37,195	-	1,291,739	52,293	247,093	1,910,561
Depreciation charged in the year	32,543	4,248	-	233,923	18,225	49,013	337,952
Eliminated in respect of disposals	-	-	-	(17,684)	-	(18,022)	(35,706)
At 31 December 2019	314,784	41,443	-	1,507,978	70,518	278,084	2,212,807
<b>Carrying amount</b>							
At 31 December 2019	1,875,592	3,030	73,997	594,571	38,173	221,775	2,807,138
At 31 December 2018	1,908,135	7,278	73,397	720,704	56,398	170,558	2,936,470



# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

11 Tangible fixed assets (continued)					
Company		Freehold land and buildings	Property improvements	Assets under construction	Total
		£	£	£	£
<b>Cost</b>					
At 1 January 2019		2,190,376	7,100	73,397	2,270,873
Additions		-	-	600	600
At 31 December 2019		2,190,376	7,100	73,997	2,271,473
<b>Depreciation and impairment</b>					
At 1 January 2019		282,241	4,260	-	286,501
Depreciation charged in the year		32,543	710	-	33,253
At 31 December 2019		314,784	4,970	-	319,754
<b>Carrying amount</b>					
At 31 December 2019		1,875,592	2,130	73,997	1,951,719
At 31 December 2018		1,908,135	2,840	73,397	1,984,372

The carrying value of freehold land and buildings includes:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Freehold land	563,206	563,206	563,206	563,206

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 12 Fixed asset investments

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	13	-	-	32,328	32,328

#### Movements in fixed asset investments Company

Shares in  
group  
undertakings  
£

#### Cost or valuation

At 1 January 2019 and 31 December 2019 32,328

#### Carrying amount

At 31 December 2019 32,328

At 31 December 2018 32,328

### 13 Subsidiaries

Details of the company's subsidiaries at 31 December 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct Indirect
Quarry Manufacturing and Supplies Limited	Forest View, Thornton Lane, Markfield, Leicester, LE67 9RP	The manufacture of machinery and processing equipment for the mining, quarrying, recycling and demolition industries	Ordinary	99.99

### 14 Stocks

	Group 2019 £	2018 £	Company 2019 £	2018 £
Raw materials and consumables	4,977,246	5,057,308	-	-
Work in progress	289,924	245,043	-	-
	5,267,170	5,302,351	-	-

Stocks are shown net of a provision for slow moving or obsolete stock of £nil (2018: £77,203).

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 15 Debtors

	Group 2019	2018	Company 2019	2018
	£	£	£	£
<b>Amounts falling due within one year:</b>				
Trade debtors	1,575,541	1,589,945	-	-
Amounts owed by group undertakings	-	-	297,207	403,207
Other debtors	57,031	249,498	-	546
Prepayments and accrued income	58,233	74,086	306	682
	<u>1,690,805</u>	<u>1,913,529</u>	<u>297,513</u>	<u>404,435</u>

During the year bad debt losses of £4,151 (2018: £31,577) were recognised in respect of trade debtors.

### 16 Creditors: amounts falling due within one year

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Trade creditors	1,098,349	1,418,317	1,941	8,749
Corporation tax payable	100,800	56,273	40,993	23,893
Other taxation and social security	92,204	55,249	14,698	12,835
Other creditors	121,195	98,152	81,506	81,506
Accruals and deferred income	36,161	322,649	-	239,980
	<u>1,448,709</u>	<u>1,950,640</u>	<u>139,138</u>	<u>366,963</u>

### 17 Deferred taxation

The major deferred tax liabilities and assets recognised by the group and company are:

	Liabilities 2019	Liabilities 2018
	£	£
<b>Group</b>		
Accelerated capital allowances	105,156	102,157
Tax losses	(42,319)	(49)
	<u>62,837</u>	<u>102,108</u>

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 17 Deferred taxation (Continued)

	Liabilities 2019 £	Liabilities 2018 £
<b>Company</b>		
Accelerated capital allowances	15,453	15,219
Tax losses	(40,797)	-
	<u>(25,344)</u>	<u>15,219</u>
	<b>Group 2019 £</b>	<b>Company 2019 £</b>
<b>Movements in the year:</b>		
Liability at 1 January 2019	102,108	15,219
Credit to profit or loss	(39,271)	(40,563)
	<u>62,837</u>	<u>(25,344)</u>

The deferred tax liability set out above relates to accelerated capital allowances that are expected to mature and reverse over the life of the assets to which they relate.

### 18 Retirement benefit schemes

	2019 £	2018 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>155,747</u>	<u>138,828</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

### 19 Share capital

	Group and company 2019 £	2018 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

### 20 Reserves

#### Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 21 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Acquisition of tangible fixed assets	-	135,999	-	-

### 22 Events after the reporting date

The COVID-19 outbreak that has occurred since the financial year end has the potential to impact on the financial position of the company during 2020/2021. Notwithstanding the uncertainties that exist around the outbreak, the current level of cash reserves and stock held by the group has satisfied the Directors that it has adequate resources to deal with the impact of the outbreak as it unfolds.

### 23 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel of the group, who includes the directors, is as follows.

	2019 £	2018 £
Aggregate compensation	136,201	531,325

#### Transactions with related parties

During the year, the company charged management fees of £270,000 (2018: £649,827) to Quarry Manufacturing and Supplies Limited. At the year end, £297,207 (2018: £403,207) was owed by Quarry Manufacturing and Supplies Limited.

### 24 Directors' transactions

Dividends totalling £0 (2018 - £9,200) were paid in the year in respect of shares held by the company's directors.

During the year, the directors loan accounts were debited with drawings of £1,003 (2018: £538) and credited with capital introduced of £nil (2018: £nil). At the year end, £87,134 (2018: £88,137) was owed to the directors in respect of their loan accounts. The loans are unsecured and interest free, and are included within other creditors in these financial statements.

### 25 Controlling party

Mr P R Beck and Mrs M R Beck own 76% of the issued share capital of the company and are therefore considered to be the ultimate controlling parties.

# PETER R. BECK ENGINEERING SERVICES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

### 26 Cash generated from group operations

	2019 £	2018 £
Profit for the year after tax	563,426	486,075
Adjustments for:		
Taxation charged	95,949	47,528
Investment income	(564)	(839)
(Gain)/loss on disposal of tangible fixed assets	(5,152)	647
Depreciation and impairment of tangible fixed assets	337,952	310,213
Movements in working capital:		
Decrease/(increase) in stocks	35,181	(1,225,334)
Decrease in debtors	222,724	435,382
(Decrease)/increase in creditors	(546,458)	305,231
(Decrease) in deferred income	-	(4,500)
<b>Cash generated from operations</b>	<b>703,058</b>	<b>354,403</b>

### 27 Analysis of changes in net funds - group

	1 January 2019 £	Cash flows £	31 December 2019 £
Cash at bank and in hand	1,025,472	409,461	1,434,933