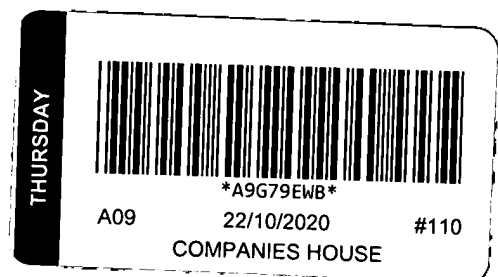


Company Registration No. 06537517 (England and Wales)

S & C SLATTER LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2020



S & C SLATTER LIMITED

COMPANY INFORMATION

Directors	Mrs C J Slatter	
	Mr D S Slatter	
	Mrs M Slatter	(Appointed 14 August 2019)
	Mr P J Slatter	
	A R Bennett	
	J B Douglass	
	B F J O'Connor	(Appointed 1 May 2020)
Secretary	C R Buckingham	
Company number	06537517	
Registered office	Hill Cottage Enborne Newbury Berkshire RG20 0HA	
Auditor	Azets Audit Services Griffins Court 24-32 London Road Newbury Berkshire United Kingdom RG14 1JX	

S & C SLATTER LIMITED

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S & C SLATTER LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2020

The directors present the strategic report for the year ended 30 April 2020.

Fair review of the business

The 2019/2020 year proved to be a transformational one for the company. As shown in the attached accounts we managed to increase turnover to £23,984,663 (2019: £18,895,250) while maintaining a relatively steady overhead resulting in project before tax of £1,107,368 (2019: 830,921).

The directors consider this result to be very satisfactory given the markets in which we operate. We consider this performance to be the result of a several deliberate policies. Firstly moving our cricket, play and maintenance operations to our Kintbury site under the operational responsibility of Philip Slatter has resulted in renewed focus on efficiency in these areas. In our main sports construction business the continued investment in staff and training together with a deliberate and strategic focus on certain clients and sectors has allowed us to focus on high end projects where we work closely and in partnership with our clients.

Unfortunately Covid-19 had a negative impact on this financial year as we felt it prudent to close down our site based works for just over three weeks in order to allow ourselves time to fully understand the situation and ensure the safety of our site staff. We have also seen an impact on workloads in the 20/21 financial year and this will undoubtedly impact on future results.

We will continue to focus our efforts and attentions on the construction of high end, multi-disciplinary sports construction projects for clients who share our values.

Principal risks and uncertainties

There are a number of risks and uncertainties that can impact the performance of the company which are beyond the control of the company and its directors.

These include:

Market Conditions

These include general economic conditions interest rates and business confidence levels

Competition

The company faces strong competition in all the markets it operates within. This competition can lead to reduced profitability in the short-term as competitors under-price work to gain contracts.

Key Inputs

The Company's performance is impacted by the pricing and availability of its key inputs.

The prices of the inputs can be volatile depending upon the demand and supply of these products. In 2020 the availability of skilled labour will continue to impact the construction market, especially since brexit.

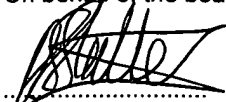
Financial risk management

The company's financial risk management objective is to seek to make neither a profit or loss from exposure to currency or interest rate risk. Its policy is to finance working capital through retained earnings.

Key performance indicators

Given the straight forward nature of the business the company's directors are of the opinion that analysis using KPI's is not necessary for the understanding of the development, performance or position of the business.

On behalf of the board



Mr D S Slatter

Director

19/10/2020

S & C SLATTER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2020

The directors present their annual report and financial statements for the year ended 30 April 2020.

Principal activities

The principal activity of the company in the year under review were those of sports and safety surface installers.

Directors

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

Mrs C J Slatter

Mr D S Slatter

Mrs M Slatter

(Appointed 14 August 2019)

Mr P J Slatter

A R Bennett

J B Douglass

B F J O'Connor

(Appointed 1 May 2020)

Results and dividends

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

The total distribution of dividends for the year ended 30 April 2020 will be £320,000.

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

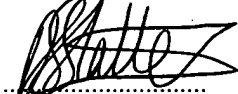
Auditor

The auditors, Azets Audit Services, will be proposed for reappointment at the forthcoming AGM.

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, the directors individually have taken all the necessary steps that they ought to have taken as directors 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



Mr D S Slatter

Director

Date:

19/10/2020

S & C SLATTER LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2020

The directors are responsible for preparing the annual 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 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.

S & C SLATTER LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF S & C SLATTER LIMITED

Opinion

We have audited the financial statements of S & C Slatter Limited (the 'company') for the year ended 30 April 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity 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 company's affairs as at 30 April 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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.

S & C SLATTER LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF S & C SLATTER LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

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

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.



Christopher Duggan (Senior Statutory Auditor)
for and on behalf of Azets Audit Services

19/10/2020

Statutory Auditor

Griffins Court
24-32 London Road
Newbury
Berkshire
United Kingdom
RG14 1JX

S & C SLATTER LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2020

		2020	2019
	Notes	£	£
Turnover	3	23,984,663	18,895,250
Cost of sales		(19,179,204)	(14,506,135)
Gross profit		4,805,459	4,389,115
Administrative expenses		(3,770,883)	(3,512,238)
Other operating income		101,248	-
Operating profit	4	1,135,824	876,877
Interest receivable and similar income	7	1,280	499
Interest payable and similar expenses	8	(29,736)	(46,455)
Profit before taxation		1,107,368	830,921
Tax on profit	9	319,977	(174,829)
Profit for the financial year		1,427,345	656,092

The profit and loss account has been prepared on the basis that all operations are continuing operations.

S & C SLATTER LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 APRIL 2020

	2020	2019
	£	£
Profit for the year	1,427,345	656,092
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,427,345</u>	<u>656,092</u>

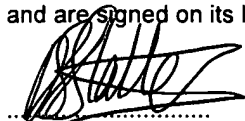
S & C SLATTER LIMITED

BALANCE SHEET

AS AT 30 APRIL 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Goodwill	11	400,000		450,000	
Tangible assets	12	1,288,321		1,536,138	
		<u>1,688,321</u>		<u>1,986,138</u>	
Current assets					
Stocks	13	219,646		199,760	
Debtors	14	3,849,401		5,409,000	
Cash at bank and in hand		1,984,476		317,903	
		<u>6,053,523</u>		<u>5,926,663</u>	
Creditors: amounts falling due within one year	15	(2,490,537)		(4,380,776)	
Net current assets		<u>3,562,986</u>		<u>1,545,887</u>	
Total assets less current liabilities		<u>5,251,307</u>		<u>3,532,025</u>	
Creditors: amounts falling due after more than one year	16	(1,614,608)		(992,297)	
Provisions for liabilities	19	(145,751)		(156,125)	
Net assets		<u><u>3,490,948</u></u>		<u><u>2,383,603</u></u>	
Capital and reserves					
Called up share capital	22	1,000		1,000	
Profit and loss reserves		3,489,948		2,382,603	
Total equity		<u><u>3,490,948</u></u>		<u><u>2,383,603</u></u>	

The financial statements were approved by the board of directors and authorised for issue on 19/10/2020 and are signed on its behalf by:



Mr D S Slatter
Director

Company Registration No. 06537517

S & C SLATTER LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2020

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 May 2018		1,000	2,046,511	2,047,511
Year ended 30 April 2019:				
Profit and total comprehensive income for the year		-	656,092	656,092
Dividends	10	-	(320,000)	(320,000)
Balance at 30 April 2019		1,000	2,382,603	2,383,603
Year ended 30 April 2020:				
Profit and total comprehensive income for the year		-	1,427,345	1,427,345
Dividends	10	-	(320,000)	(320,000)
Balance at 30 April 2020		1,000	3,489,948	3,490,948

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

Company information

S & C Slatter Limited is a private company limited by shares incorporated in England and Wales. The registered office is Hill Cottage, Enborne, Newbury, Berkshire, RG20 0HA.

1.1 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" ("FRS 102") and the requirements of the Companies Act 2006.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

This 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:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- 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 financial statements of the company are consolidated in the financial statements of The Slatter Group Limited. These consolidated financial statements are available from its registered office, Hill Cottage, Enborne, Newbury, Berkshire, England, RG20 0HA.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

1.3 Turnover

Turnover is measured at the fair value of the consideration received or receivable net of VAT and trade discounts. Turnover relates to the sales within the UK market. The policies adopted for the recognition of turnover are as follows:

Construction contracts

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the reporting end date. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When it is probable that total contract costs will exceed total contract turnover, the expected loss is recognised as an expense immediately.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable that they will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred. When costs incurred in securing a contract are recognised as an expense in the period in which they are incurred, they are not included in contract costs if the contract is obtained in a subsequent period.

1.4 Intangible fixed assets - goodwill

Goodwill arising on the acquisition of businesses, represents the excess of the fair value of consideration over the fair value of identifiable assets and liabilities acquired.

Goodwill is amortised in equal instalments over its estimated useful life of 20 years, except where it has been identified as impaired in the period, in which case it is written down as appropriate.

1.5 Tangible fixed assets

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

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

Leasehold improvements	- 10% on cost
Plant and equipment	- 25% on reducing balance, 20% on cost and 15% on reducing balance
Office equipment	- 20% on cost
Motor vehicles	- 25% on reducing balance

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.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

1.6 Impairment of fixed assets

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.

1.7 Stocks

Stocks and work in progress are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow moving or defective items 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.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The company 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 in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

Basic financial assets

Basic financial assets, which include debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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 company 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 company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the 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 company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

Short-term employee benefits are recognised as an expense in the period in which they are incurred.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

1 Accounting policies

(Continued)

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 leases asset are consumed.

1.15 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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying 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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Revenue recognition

The key judgements made by management in respect of revenue is the point at which that revenue should be recognised. Management consider the underlying contract terms and conclude upon the most appropriate point of the cycle at which to recognise revenue based upon the these terms and in particular where the risks and rewards of ownership transfer.

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. Residual value assessment consider issues such as the remaining life of the asset and the projected disposal value.

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

3 Turnover and other revenue

	2020 £	2019 £
Turnover analysed by class of business		
Surface installation	22,798,797	17,955,575
Maintenance and repairs	813,767	794,755
Design and planning & other	372,099	144,920
	<u>23,984,663</u>	<u>18,895,250</u>
	2020 £	2019 £
Other significant revenue		
Interest income	1,280	499
Grants received	<u>101,248</u>	<u>-</u>

4 Operating profit

	2020 £	2019 £
Operating profit for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(40,400)	13,892
Government grants	(101,248)	-
Fees payable to the company's auditor for the audit of the company's financial statements	9,000	8,350
Depreciation of owned tangible fixed assets	320,379	375,304
Profit on disposal of tangible fixed assets	(4,677)	(5,031)
Amortisation of intangible assets	50,000	50,000
Operating lease charges	<u>72,848</u>	<u>-</u>

5 Employees

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

	2020 Number	2019 Number
Productive labour	35	35
Contracts management	11	9
Sales	8	6
General management	10	10
Total	<u>64</u>	<u>60</u>

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

5 Employees (Continued)

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	2,874,489	2,635,848
Social security costs	314,820	282,578
Pension costs	120,946	70,211
	<u>3,310,255</u>	<u>2,988,637</u>

6 Directors' remuneration

	2020 £	2019 £
Remuneration for qualifying services	366,014	269,897
Company pension contributions to defined contribution schemes	4,525	2,416
	<u>370,539</u>	<u>272,313</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 4 (2019 - 3).

Remuneration disclosed above include the following amounts paid to the highest paid director:

	2020 £	2019 £
Remuneration for qualifying services	<u>132,377</u>	<u>95,027</u>

7 Interest receivable and similar income

	2020 £	2019 £
Interest income		
Interest on bank deposits	<u>1,280</u>	<u>499</u>

8 Interest payable and similar expenses

	2020 £	2019 £
Interest on finance leases and hire purchase contracts	<u>29,736</u>	<u>46,455</u>

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

9 Taxation

	2020 £	2019 £
Current tax		
UK corporation tax on profits for the current period	235,787	175,235
Adjustments in respect of prior periods	(545,390)	-
Total current tax	(309,603)	175,235
Deferred tax		
Origination and reversal of timing differences	(10,374)	(406)
Total tax (credit)/charge	(319,977)	174,829

The actual (credit)/charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020 £	2019 £
Profit before taxation	1,107,368	830,921
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	210,400	157,875
Tax effect of expenses that are not deductible in determining taxable profit	3,939	25,584
Permanent capital allowances in excess of depreciation	-	(8,630)
Depreciation on assets not qualifying for tax allowances	11,074	-
Research and development tax credit	(545,390)	-
Taxation (credit)/charge for the year	(319,977)	174,829

10 Dividends

	2020 £	2019 £
Interim paid	320,000	320,000

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

11 Intangible fixed assets

	Goodwill £
Cost	
At 1 May 2019 and 30 April 2020	1,000,000
Amortisation and impairment	
At 1 May 2019	550,000
Amortisation charged for the year	50,000
At 30 April 2020	600,000
Carrying amount	
At 30 April 2020	400,000
At 30 April 2019	450,000

12 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Office equipment £	Motor vehicles £	Total £
Cost					
At 1 May 2019	263,033	1,962,101	50,171	713,794	2,989,099
Additions	57,781	67,240	17,463	101,652	244,136
Disposals	-	(310,925)	(5,706)	(126,777)	(443,408)
At 30 April 2020	320,814	1,718,416	61,928	688,669	2,789,827
Depreciation and impairment					
At 1 May 2019	54,938	1,017,533	27,940	352,550	1,452,961
Depreciation charged in the year	31,045	157,104	8,489	123,741	320,379
Eliminated in respect of disposals	-	(182,387)	(2,512)	(86,935)	(271,834)
At 30 April 2020	85,983	992,250	33,917	389,356	1,501,506
Carrying amount					
At 30 April 2020	234,831	726,166	28,011	299,313	1,288,321
At 30 April 2019	208,095	944,568	22,231	361,244	1,536,138

13 Stocks

	2020 £	2019 £
Raw materials and consumables	219,646	199,760

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	1,497,525	3,326,605
Gross amounts owed by contract customers	759,023	819,611
Corporation tax recoverable	186,684	-
Amounts owed by group undertakings	174,735	130,000
Other debtors	652,315	543,335
Prepayments and accrued income	59,119	69,449
	<u>3,329,401</u>	<u>4,889,000</u>
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>520,000</u>	<u>520,000</u>
Total debtors	<u>3,849,401</u>	<u>5,409,000</u>

15 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Bank loans and overdrafts	17	-	91,132
Obligations under finance leases	18	91,479	317,327
Trade creditors		1,025,462	2,905,079
Corporation tax		-	175,235
Other taxation and social security		417,410	248,118
Other creditors		404,104	484,471
Accruals and deferred income		552,082	159,414
		<u>2,490,537</u>	<u>4,380,776</u>

16 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Bank loans and overdrafts	17	1,000,000	-
Obligations under finance leases	18	129,640	504,796
Other creditors		484,968	487,501
		<u>1,614,608</u>	<u>992,297</u>

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

17 Loans and overdrafts

	2020 £	2019 £
Bank loans	1,000,000	-
Bank overdrafts	-	91,132
	<u>1,000,000</u>	<u>91,132</u>
Payable within one year	-	91,132
Payable after one year	<u>1,000,000</u>	<u>-</u>

The bank loan is interest free and repayment free for 12 months following the date of drawdown. Following that date interest is charged at 2.32% over base rate for the term of the loan. The term of the loan is 6 years from drawdown.

Bank loans and overdrafts are secured by a debenture over all assets of the company.

18 Finance lease obligations

	2020 £	2019 £
Future minimum lease payments due under finance leases:		
Within one year	91,479	317,327
In two to five years	129,640	504,796
	<u>221,119</u>	<u>822,123</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 5 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The hire purchase contracts are secured against the assets in which they relate to.

19 Provisions for liabilities

	Notes	2020 £	2019 £
Deferred tax liabilities	20	<u>145,751</u>	<u>156,125</u>

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2020 £	Liabilities 2019 £
Balances:		
Accelerated capital allowances	145,751	156,125
	<u> </u>	<u> </u>
Movements in the year:		2020 £
Liability at 1 May 2019		156,125
Credit to profit or loss		(10,374)
		<u> </u>
Liability at 30 April 2020		145,751
		<u> </u>

21 Retirement benefit schemes

	2020 £	2019 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	120,946	70,211
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

22 Share capital

	2020 £	2019 £
Ordinary share capital		
Issued and fully paid		
1,000 Ordinary of £1 each	1,000	1,000
	<u> </u>	<u> </u>

S & C SLATTER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2020

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	92,490	117,424
Between two and five years	157,416	255,807
	<u>249,906</u>	<u>373,231</u>

24 Related party transactions

During the year dividends were paid to shareholders totalling £320,000 (2019: £320,000).

At the year end £487,501 (2019: £487,501) was due to key management.

Total remuneration to other related parties in the year totalled £55,743 (2019: £96,117).

25 Ultimate controlling party

The parent company is, The Slatter Group Limited which was incorporated on 20 February 2019 and has prepared its first set of financial statements at 30 April 2020. The registered office is Hill Cottage, Enborne, Newbury, Berkshire, RG20 0HA.