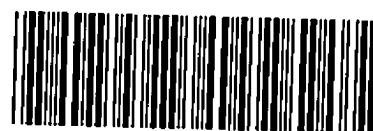


**Cleaver Fulton Rankin
Limited**

Financial statements

31 October 2022



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Cleaver Fulton Rankin Limited

Financial statements

Year ended 31 October 2022

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Cleaver Fulton Rankin Limited

Strategic report

Year ended 31 October 2022

Principal activity

Cleaver Fulton Rankin Limited is a full service Law Firm.

Review of the business

The Directors consider turnover and operating profit as the primary key performance indicators when assessing the performance of the firm and note turnover of £6,947,759 (2021: £6,939,678) and operating profit of £1,926,046 (2021: £2,408,402).

The Directors are satisfied with the results achieved.

Risks and uncertainties

The Directors believe that controls within the organisation are such that risks are identified, assessed and managed effectively. They recognise that data and information security is increasingly important in managing the risk of fraud, information loss and the threat to business continuity. In 2021, the company was awarded the ISO 22301:2019 Business Continuity Management System Certification. This standard provides a systematic framework for controlling business continuity and emphasises the importance of implementing and operating controls for managing the company's overall capability to manage disruptive incidents.

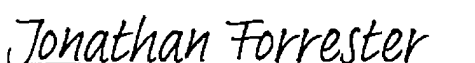
The Directors recognise that inflation and increased costs have brought an additional level of uncertainty to the general economic outlook. They are monitoring the potential risks involved whilst also positioning themselves to exploit potential opportunities.

Development of the business and future outlook

The Directors are positive in terms of the future outlook of the business.

This report was approved by the board of directors on 03/04/23
on behalf of the board by:

and signed



Jonathan Forrester (Apr 3, 2023 14:47 GMT+1)

Mr J Forrester
Director

Registered office:
50 Bedford Street
Belfast
BT2 7FW

Cleaver Fulton Rankin Limited

Directors' report

Year ended 31 October 2022

The directors present their report and the financial statements of the company for the year ended 31 October 2022.

Directors

The directors who served the company during the year were as follows:

Ms K Blair
Ms K Collie
Mr S Cross
Mr P Fleming
Mr J Forrester
Mr M Graham
Ms J Donohoe
Mr J Marley

Dividends

Particulars of recommended dividends are detailed in note 13 to the financial statements.

Future developments

There have been no events since the balance sheet date which materially affect the position of the company.

Financial risk management

The Company's operations expose it to a variety of financial risks that include liquidity risk and interest rate risk.

Liquidity risk

The Company maintains adequate bank facilities to ensure sufficient short term finance for continuing operations.

Interest rate risk

The Company manages its exposure to interest rate risk by maintaining an appropriate balance of fixed and variable rate debt.

Disclosure of information in the strategic report

The strategic report is included as per page 1.

Cleaver Fulton Rankin Limited

Directors' report *(continued)*

Year ended 31 October 2022

Directors' responsibilities statement

The Directors are responsible for preparing 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 company and 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 judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, comprising FRS 102, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the 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.

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

In accordance with section 487(2) of the Companies Act 2006, the auditors, BDO Northern Ireland, will continue in office.

Cleaver Fulton Rankin Limited

Directors' report *(continued)*

Year ended 31 October 2022

This report was approved by the board of directors on 03/04/2023
on behalf of the board by:

and signed

Jonathan Forrester

Jonathan Forrester (Apr 3, 2023 14:47 GMT+1)

Mr J Forrester
Director

Registered office:
50 Bedford Street
Belfast
BT2 7FW

Cleaver Fulton Rankin Limited

Independent auditor's report to the members of Cleaver Fulton Rankin Limited

Year ended 31 October 2022

Opinion on the financial statements

We have audited the financial statements of Cleaver Fulton Rankin Limited (the 'company') for the year ended 31 October 2022 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 31 October 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Cleaver Fulton Rankin Limited

Independent auditor's report to the members of Cleaver Fulton Rankin Limited (continued)

Year ended 31 October 2022

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.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

Cleaver Fulton Rankin Limited

Independent auditor's report to the members of Cleaver Fulton Rankin Limited (continued)

Year ended 31 October 2022

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.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and the regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies Act 2006 and FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

We focused on laws and regulations that could give rise to material misstatement in the financial statements. Our tests included but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- review of minutes of board meetings throughout the period;
- enquiries of management; and
- considering the effectiveness of the control environment and monitoring compliance with laws and regulations.

We also communicated relevant identified laws and regulations and potential fraud risk to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. As in all of our audits we addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Cleaver Fulton Rankin Limited

Independent auditor's report to the members of Cleaver Fulton Rankin Limited *(continued)*

Year ended 31 October 2022

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Use of our report

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



Nigel V W Harra, senior statutory auditor
For and on behalf of BDO Northern Ireland, statutory auditor
Metro Building, First Floor
6-9 Donegall Square South
Belfast
BT1 5JA

03/04/23

Cleaver Fulton Rankin Limited**Statement of comprehensive income****Year ended 31 October 2022**

	Note	2022 £	2021 £
Turnover	4	6,947,759	6,939,678
Gross profit		6,947,759	6,939,678
Administrative expenses		5,043,287	4,556,537
Other operating income	5	21,574	25,261
Operating profit	6	1,926,046	2,408,402
Other interest receivable and similar income	10	43,236	23,659
Interest payable	11	4,907	4,095
Profit before taxation		1,964,375	2,427,966
Tax on profit	12	377,400	484,763
Profit for the financial year and total comprehensive income		1,586,975	1,943,203

All the activities of the company are from continuing operations.

Cleaver Fulton Rankin Limited

Statement of financial position

31 October 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	15	485,873	449,280
Investments	16	250,000	100,000
		<u>735,873</u>	<u>549,280</u>
Current assets			
Debtors	17	4,816,732	5,285,132
Cash at bank and in hand		1,440,997	2,244,758
		<u>6,257,729</u>	<u>7,529,890</u>
Creditors: amounts falling due within one year	19	<u>2,120,652</u>	<u>1,621,050</u>
Net current assets		<u>4,137,077</u>	<u>5,908,840</u>
Total assets less current liabilities		<u>4,872,950</u>	<u>6,458,120</u>
Provisions			
Taxation including deferred tax	20	111,223	101,692
Net assets		<u>4,761,727</u>	<u>6,356,428</u>
Capital and reserves			
Called up share capital	24	800	800
Share premium account	25	172,700	172,700
Capital redemption reserve	25	200	200
Profit and loss account	25	4,588,027	6,182,728
Shareholders funds		<u>4,761,727</u>	<u>6,356,428</u>

These financial statements were approved by the board of directors and authorised for issue on 03/04/23, and are signed on behalf of the board by:

Jonathan Forrester

Jonathan Forrester (Apr 3, 2023 14:47 GMT+1)

Mr J Forrester
Director

Company registration number: NI031078

Cleaver Fulton Rankin Limited

Statement of changes in equity

Year ended 31 October 2022

		Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 November 2020		242,026	172,700	200	4,712,620	5,127,546
Profit for the year		—	—	—	1,943,203	1,943,203
Total comprehensive income for the year		—	—	—	1,943,203	1,943,203
Dividends paid and payable	13	—	—	—	(473,095)	(473,095)
Redemption of shares		(241,226)	—	—	—	(241,226)
Total investments by and distributions to owners		(241,226)	—	—	(473,095)	(714,321)
At 31 October 2021		800	172,700	200	6,182,728	6,356,428
Profit for the year		—	—	—	1,586,975	1,586,975
Total comprehensive income for the year		—	—	—	1,586,975	1,586,975
Dividends paid and payable	13	—	—	—	(3,181,676)	(3,181,676)
Total investments by and distributions to owners		—	—	—	(3,181,676)	(3,181,676)
At 31 October 2022		800	172,700	200	4,588,027	4,761,727

The notes on pages 13 to 23 form part of these financial statements.

Cleaver Fulton Rankin Limited

Statement of cash flows

Year ended 31 October 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Profit for the financial year		1,586,975	1,943,203
<i>Adjustments for:</i>			
Depreciation of tangible assets		103,635	93,727
Government grant income		(12,336)	–
Other interest receivable and similar income		(43,236)	(23,659)
Interest payable		4,907	4,095
Tax on profit		377,400	484,763
Accrued expenses		39,974	31,348
<i>Changes in:</i>			
Trade and other debtors		(34,105)	(738,980)
Trade and other creditors		29,584	(240,337)
Cash generated from operations		2,052,798	1,554,160
Interest paid		(4,907)	(4,095)
Interest received		43,236	23,659
Tax paid		(498,000)	(412,101)
Net cash from operating activities		<u>1,593,127</u>	<u>1,161,623</u>
Cash flows from investing activities			
Purchase of tangible assets		(140,228)	(111,209)
Net cash used in investing activities		<u>(140,228)</u>	<u>(111,209)</u>
Cash flows from financing activities			
Government grant income		12,336	–
Repayment of directors' current accounts		(2,208,899)	(1,676,420)
Net cash used in financing activities		<u>(2,196,563)</u>	<u>(1,676,420)</u>
Net decrease in cash and cash equivalents		(743,664)	(626,006)
Cash and cash equivalents at beginning of year		2,144,732	2,770,738
Cash and cash equivalents at end of year	18	<u>1,401,068</u>	<u>2,144,732</u>

The notes on pages 13 to 23 form part of these financial statements.

Cleaver Fulton Rankin Limited

Notes to the financial statements

Year ended 31 October 2022

1. General information

The Company is a private Company limited by shares, registered in Northern Ireland. The address of the registered office is 50 Bedford Street, Belfast, BT2 7FW.

The principal activity of the Company during the year was the provision of legal services.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis and in accordance with the historical cost convention modified to include certain items at fair value. The financial reporting framework that has been applied in their preparation is the Companies Act 2006 (the Act) and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued by the Financial Reporting Council.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

- Determine whether leases entered into by the company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- 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 factors such as planned maintenance programs and renewal cycles. Residual value assessments consider issues such as the remaining life of the asset and projected disposal values.

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

3. Accounting policies *(continued)*

Judgements and key sources of estimation uncertainty *(continued)*

- Amounts recoverable on contracts is the estimated value of work carried out on ongoing cases at the year end. The value estimated is based on the costs incurred on work performed to date and the overall final fee agreed. A figure is only included if the balance is expected to be recoverable. If, on the review the balance is not considered to be recoverable, it will be expensed in the year.
- Impairment of trade debtors is reviewed on an ongoing basis. An impairment provision is recognised when there is objective evidence that the company will not be able fully collect the balance due. If, on the review the balance is not considered to be recoverable, it will be expensed in the year.

Revenue recognition

Turnover represents services provided to external customers at invoiced amounts exclusive of value added tax.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period. When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Deferred tax balances are not discounted.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

3. Accounting policies *(continued)*

Defined contribution plans

The company operates a group personal pension scheme for employees. The annual contributions payable are charged to the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Leasehold Improvements	- 7% straight line
Fixtures and Fittings	- 15% straight line
Motor Vehicles	- 20% straight line
Equipment	- 20% straight line

Investments in subsidiaries

Investment in subsidiary is accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Deferred government grants

Government grants are recognised under the accrual model. Grants relating to revenue are recognised in income on a systematic basis over the periods in which the entity recognises the related costs for which the grant is intended to compensate.

Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the assets to which they relate.

Other financial assets

Other financial assets comprise of trade debtors, amounts recoverable on contracts and other debtors. Other financial assets are initially measured at the undiscounted amount of cash receivable and are subsequently measured at amortised cost less impairment, where there is objective evidence of an impairment.

Cash and cash equivalents

Cash consists of cash on hand and at bank. There are no cash equivalents included in the financial statements.

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

3. Accounting policies *(continued)*

Other financial liabilities

Other financial liabilities include trade creditors, amounts due to directors and other creditors. Other financial liabilities are measured at invoice cost, unless payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate. In this case the arrangement constitutes a financing transaction, and the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Ordinary share capital

The ordinary share capital of the company is presented as equity.

Share premium

The amount subscribed for share capital in excess of nominal value is presented as share premium.

Dividends

Equity dividends are recognised when they become legally payable or receivable.

4. Turnover

Turnover arises from:

	2022 £	2021 £
Rendering of services	<u>6,947,759</u>	<u>6,939,678</u>

The directors have not disclosed information relating to the geographical split of the turnover on the grounds that this would be seriously prejudicial to the interests of the company.

5. Other operating income

	2022 £	2021 £
Government grant income	12,336	14,277
Other operating income	<u>9,238</u>	<u>10,984</u>
	<u>21,574</u>	<u>25,261</u>

6. Operating profit

Operating profit or loss is stated after charging/crediting:

	2022 £	2021 £
Depreciation of tangible assets	103,635	93,727
Impairment of trade debtors	(124,210)	50,672
Operating lease payments	<u>148,500</u>	<u>148,500</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

7. Auditor's remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>13,250</u>	<u>6,000</u>

8. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2022	2021
	No.	No.
Administrative staff	<u>81</u>	<u>69</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021
	£	£
Wages and salaries	2,766,992	2,508,065
Social security costs	298,777	250,340
Other pension costs	<u>320,297</u>	<u>377,803</u>
	<u>3,386,066</u>	<u>3,136,208</u>

9. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	134,130	114,000
Company contributions to defined contribution pension plans	<u>222,895</u>	<u>289,556</u>
	<u>357,025</u>	<u>403,556</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2022	2021
	No.	No.
Defined contribution plans	<u>7</u>	<u>7</u>

10. Other interest receivable and similar income

	2022	2021
	£	£
Interest on cash and cash equivalents	<u>43,236</u>	<u>23,659</u>

11. Interest payable

	2022	2021
	£	£
Other interest payable and similar charges	<u>4,907</u>	<u>4,095</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

12. Tax on profit

Major components of tax expense

	2022 £	2021 £
Current tax:		
UK current tax expense	366,484	457,468
Adjustments in respect of prior periods	1,385	(1,106)
Total current tax	<u>367,869</u>	<u>456,362</u>
Deferred tax:		
Origination and reversal of timing differences	7,243	5,257
Impact of change in tax rate	2,288	23,144
Total deferred tax	<u>9,531</u>	<u>28,401</u>
Tax on profit	<u>377,400</u>	<u>484,763</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is higher than (2021: higher than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit on ordinary activities before taxation	1,964,375	2,427,966
Profit on ordinary activities by rate of tax	373,231	461,314
Adjustment to tax charge in respect of prior periods	1,385	(1,106)
Effect of expenses not deductible for tax purposes	496	150
Deferred tax movement	2,288	24,405
Tax on profit	<u>377,400</u>	<u>484,763</u>

13. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2022 £	2021 £
Equity dividends on ordinary shares	<u>3,181,676</u>	<u>473,095</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements (continued)

Year ended 31 October 2022

14. Intangible assets

	Goodwill £
Cost	
At 1 November 2021 and 31 October 2022	<u>3,225,000</u>
Amortisation	
At 1 November 2021 and 31 October 2022	<u>3,225,000</u>
Carrying amount	
At 31 October 2022	<u>-</u>
At 31 October 2021	<u>-</u>

15. Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 November 2021	497,670	78,077	67,836	372,950	1,016,533
Additions	43,000	6,552	53,508	37,168	140,228
Disposals	-	(12,527)	-	(63,014)	(75,541)
At 31 October 2022	<u>540,670</u>	<u>72,102</u>	<u>121,344</u>	<u>347,104</u>	<u>1,081,220</u>
Depreciation					
At 1 November 2021	268,426	51,275	8,384	239,168	567,253
Charge for the year	38,167	10,217	19,810	35,441	103,635
Disposals	-	(12,526)	-	(63,015)	(75,541)
At 31 October 2022	<u>306,593</u>	<u>48,966</u>	<u>28,194</u>	<u>211,594</u>	<u>595,347</u>
Carrying amount					
At 31 October 2022	<u>234,077</u>	<u>23,136</u>	<u>93,150</u>	<u>135,510</u>	<u>485,873</u>
At 31 October 2021	<u>229,244</u>	<u>26,802</u>	<u>59,452</u>	<u>133,782</u>	<u>449,280</u>

16. Investments

	Investment in subsidiary £
Cost	
At 1 November 2021	100,000
Additions	150,000
At 31 October 2022	<u>250,000</u>
Impairment	
At 1 November 2021 and 31 October 2022	<u>-</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

16. Investments *(continued)*

	Investment in subsidiary £
Carrying amount	
At 31 October 2022	250,000
At 31 October 2021	100,000

Subsidiaries, associates and other investments

During 2013 the Company acquired 100% of the issued share capital of Cleaver Fulton Rankin Trustees Limited, a dormant Company which is registered in Northern Ireland. During the year, Cleaver Fulton Rankin acquired a further £150,000 in share capital in Cleaver Fulton Rankin Trustees Limited.

Cleaver Fulton Rankin Trustees Limited has a year end of 30 April. At 30 April 2022, the company made a profit/(loss) of £nil (2021: £nil) and had share capital and reserves of £250,000 (2021: £100,000).

Under the provision of Section 402 of the Companies Act 2006 the Company is exempt from preparing consolidated accounts and has not done so, therefore the accounts show information about the Company as an individual entity.

17. Debtors

	2022 £	2021 £
Trade debtors	2,213,526	2,244,582
Prepayments and accrued income	515,372	384,002
Amounts recoverable on contracts	2,075,363	2,156,771
Directors' current accounts	–	493,605
Other debtors	12,471	6,172
	<u>4,816,732</u>	<u>5,285,132</u>

All debts are due within one year

18. Cash and cash equivalents

Cash and cash equivalents comprise the following:

	2022 £	2021 £
Cash at bank and in hand	1,440,997	2,244,758
Bank overdrafts	(39,929)	(100,026)
	<u>1,401,068</u>	<u>2,144,732</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

19. Creditors: amounts falling due within one year

	2022	2021
	£	£
Bank loans and overdrafts	39,929	100,026
Trade creditors	120,810	119,292
Amounts owed to group undertakings	250,000	100,000
Accruals and deferred income	527,000	495,926
Corporation tax	137,685	267,816
Social security and other taxes	553,562	522,487
Directors' current accounts	479,172	—
Other creditors	12,494	15,503
	<u>2,120,652</u>	<u>1,621,050</u>

Amounts owed to group are unsecured, interest free and repayable on demand.

Bank overdrafts are secured as follows:

- Floating charge over the assets and undertakings of the company
- Letter of guarantee from the shareholders

20. Provisions

	Deferred tax (note 21) £
At 1 November 2021	101,692
Additions	9,531
At 31 October 2022	<u>111,223</u>

21. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in provisions (note 20)	<u>111,223</u>	<u>101,692</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	<u>111,223</u>	<u>101,692</u>

22. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £320,297 (2021: £377,803).

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

23. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022 £	2021 £
Recognised in creditors:		
Deferred government grants due within one year	<u>18,294</u>	<u>19,158</u>
Recognised in other operating income:		
Government grants recognised directly in income	<u>12,336</u>	<u>14,277</u>

24. Called up share capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
K Ordinary shares of £1 each	100	100	100	100
D Ordinary shares of £1 each	100	100	100	100
E Ordinary shares of £1 each	100	100	100	100
F Ordinary shares of £1 each	100	100	100	100
G Ordinary shares of £1 each	100	100	100	100
H Ordinary shares of £1 each	100	100	100	100
I Ordinary shares of £1 each	100	100	100	100
J Ordinary shares of £1 each	100	100	100	100
	<u>800</u>	<u>800</u>	<u>800</u>	<u>800</u>

25. Reserves

Profit and loss account - This reserve records retained earnings and accumulated losses.

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital redemption reserve - This reserve records the nominal value of shares repurchased by the company.

26. Analysis of changes in net debt

	At 1 Nov 2021 £	Cash flows £	Other changes £	At 31 Oct 2022 £
Cash at bank and in hand	2,244,758	(803,761)	—	1,440,997
Bank overdrafts	(100,026)	60,097	—	(39,929)
Debt due within one year	(100,000)	—	(150,000)	(250,000)
	<u>2,044,732</u>	<u>(743,664)</u>	<u>(150,000)</u>	<u>1,151,068</u>

Cleaver Fulton Rankin Limited

Notes to the financial statements *(continued)*

Year ended 31 October 2022

27. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	148,500	148,500
Later than 1 year and not later than 5 years	594,000	594,000
Later than 5 years	228,225	376,725
	<u>970,725</u>	<u>1,119,225</u>

28. Related party transactions

The company was under the control of the directors and shareholders throughout the current and previous year.

The movement on the directors' current account during the year was as follows:

	2022	2021
	£	£
Opening balance at 1 November	(493,605)	468,494
Redemption of preference shares	–	241,225
Dividends paid	3,181,676	473,096
Repayment of directors' current account	(2,208,899)	(1,676,420)
Closing balance at 31 October	479,172	(493,605)

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the company. The total compensation paid to key management personnel for services provided to the company is shown in note 9.

No further transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.

29. Client monies

The company holds monies on behalf of clients in a separately designated bank account and maintains a corresponding client ledger of an equal amount. Accordingly, these balances have been offset.

At 31 October 2022 amounts held on behalf of clients totalled £13,921,491 (2021: £11,363,471).