

Suttle Projects Limited

Annual Report and Financial Statements
for the Year Ended 31 March 2023

Suttle Projects Limited

Contents

Company Information	<u>1</u>
Strategic Report	<u>2</u>
Directors' Report	<u>3</u> to <u>4</u>
Statement of Directors' Responsibilities	<u>5</u>
Independent Auditor's Report	<u>6</u> to <u>8</u>
Profit and Loss Account	<u>9</u>
Statement of Comprehensive Income	<u>10</u>
Balance Sheet	<u>11</u>
Statement of Changes in Equity	<u>12</u>
Statement of Cash Flows	<u>13</u>
Notes to the Financial Statements	<u>14</u> to <u>26</u>

Suttle Projects Limited

Company Information

Directors	C J Suttle J M Paine A Maidman M R Suttle J K Harley
Registered office	Swanworth Quarry Worth Matravers Swanage Dorset BH19 3LE
Accountants	Brett Pittwood Chartered Certified Accountants Suite 8 Bourne Gate 25 Bourne Valley Road Poole Dorset BH12 IDY
Auditors	Hill Osborne Ltd Chartered Accountants Tower House Parkstone Road Poole Dorset BH15 2JH

Suttle Projects Limited

Strategic Report for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Principal activity

The principal activity of the company is piling and civil engineering contracting.

Fair review of the business

The profit for the year after tax was £44,346 (2022 - £212,798). The results for the company are set out on page 9. No interim or final dividends were paid (2022 - nil).

The year has seen continued investment in vehicles and mechanical plant to renew and extend the van and excavator fleet at a cost of £972,178.

The company's key financial and other performance indicators during the year were as follows:

Financial KPIs	Unit	2023	2022
Gross profit	%	12.70	12.80
Net profit	%	11.60	3.10

Principal risks and uncertainties

The company has consolidated and moved into a period of settled successful trading in 2023. It has maintained its accreditations in ISO 9001, 14001 and 45001, RISQS for rail sector work and a principal contractor licence registered with Network Rail. The five year plan continues to pursue the objective of moving from tier 2 multidisciplinary trade contracting, albeit in the infrastructure sector, to working directly for end user public bodies. These include Network Rail, The Environment Agency, as well as a good mix of utility providers and local authorities. Resourcing levels are then smoothed out with specialist piling work, some of which is in the residential and commercial sectors. A strengthening of its compliance and bidding team has met with a greater level of opportunity and success, including in the area of longer term frameworks with public body infrastructure providers.

To promote capability the company has continued to invest in plant and equipment, and design software. It has maintained an Institution of Civil Engineers training scheme, with recruitment ties to Bath University. Much administration is now being conducted with a modern App based data transfer system improving efficiency for a reduced cost. Operational meetings are held on a regular basis to ensure that contracts are managed efficiently and effectively. The company has strong health and safety, quality and environmental policies and these are reviewed regularly, both internally and externally, with all reported accidents and near misses investigated and monitored as appropriate. The company has continued a record of zero reportable accidents or incidents since 2016.

Approved by the Board on 12 December 2023 and signed on its behalf by:

C J Suttle
Director

Suttle Projects Limited

Directors' Report for the Year Ended 31 March 2023

The directors present their report and the financial statements for the year ended 31 March 2023.

Directors of the company

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

C J Suttle

J M Paine

A Maidman

L W Tucker (Resigned 7 March 2023)

M R Suttle (appointed 7 March 2023)

J K Harley

Financial instruments

Objectives and policies

The company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Price risk, credit risk, liquidity risk and cash flow risk

The company's principal financial assets are bank balances, together with trade debtors and other receivables.

The company's credit risk is primarily attributable to trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful debts. The company has no significant concentration of credit risk, with exposure spread over a large number of customers.

In order to maintain liquidity and to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long term debt finance, primarily the use of hire purchase/finance leases to fund the acquisition of vehicles, plant and equipment. The company has also taken advantage of the Coronavirus Business Interruption Loan Scheme.

Results and dividends

The results for the year are set out on pages 9 to 26.

No ordinary dividends were paid. The directors' do not recommend the payment of a final dividend.

Directors' liabilities

The company has third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Disclosure of information to the auditors

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

Auditors

Hill Osborne Ltd were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Suttle Projects Limited

Directors' Report for the Year Ended 31 March 2023

Approved by the Board on 12 December 2023 and signed on its behalf by:

C J Suttle
Director

Suttle Projects Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Suttle Projects Limited

Independent Auditor's Report to the Members of Suttle Projects Limited

Opinion

We have audited the financial statements of Suttle Projects Limited (the 'company') for the year ended 31 March 2023, which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2023 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 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

In auditing the financial statements, we have concluded that the director's 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 original financial statements were authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Suttle Projects Limited

Independent Auditor's Report to the Members of Suttle Projects Limited

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, 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 Statement of Directors' Responsibilities [set out on page 5], 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 Responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures in response to those risks, including obtaining appropriate audit evidence to provide a basis for our opinion. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations we considered the following:

- the nature of the industry and the laws and regulations that the company must comply with, in particular regarding health and safety
- the company's own assessment of the risks that irregularities may occur as a result of fraud or error
- results of our enquiries of management

Audit response to risks identified

Our procedures to respond to the risks identified included the following:

- reviewing the financial statement disclosures
- enquiring of management
- reading board minutes
- reviewing certificates are up to date
- in addressing the risk of fraud through management override we have assessed whether the judgements made in making

accounting estimates are indicative of a potential bias and tested the appropriateness of journal entries.

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.

Suttle Projects Limited

Independent Auditor's Report to the Members of Suttle Projects Limited

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.

Andrew Hill (Senior Statutory Auditor)

For and on behalf of Hill Osborne Ltd, Statutory Auditor

Tower House

Parkstone Road

Poole

Dorset

BH15 2JH

12 December 2023

Suttle Projects Limited

Profit and Loss Account for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	<u>3</u>	9,134,324	10,137,938
Cost of sales		<u>(7,978,486)</u>	<u>(8,836,662)</u>
Gross profit		1,155,838	1,301,276
Administrative expenses		<u>(980,939)</u>	<u>(948,270)</u>
Operating profit	<u>5</u>	<u>174,899</u>	<u>353,006</u>
Other interest receivable and similar income	<u>6</u>	15	6
Interest payable and similar expenses	<u>7</u>	<u>(68,537)</u>	<u>(43,350)</u>
		<u>(68,522)</u>	<u>(43,344)</u>
Profit before tax		106,377	309,662
Tax on profit	<u>11</u>	<u>(62,031)</u>	<u>(96,864)</u>
Profit for the financial year		<u><u>44,346</u></u>	<u><u>212,798</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.

Suttle Projects Limited

Statement of Comprehensive Income for the Year Ended 31 March 2023

	2023	2022
	£	£
Profit for the year	<u>44,346</u>	<u>212,798</u>
Total comprehensive income for the year	<u><u>44,346</u></u>	<u><u>212,798</u></u>

Suttle Projects Limited
(Registration number: 06734695)
Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>12</u>	2,150,118	1,738,964
Investment property	<u>13</u>	-	1,200,000
		<u>2,150,118</u>	<u>2,938,964</u>
Current assets			
Stocks	<u>14</u>	745,161	567,787
Debtors	<u>15</u>	2,420,509	2,594,974
Cash at bank and in hand		<u>553,025</u>	<u>1,000</u>
		3,718,695	3,163,761
Creditors: Amounts falling due within one year	<u>17</u>	<u>(2,796,161)</u>	<u>(2,742,137)</u>
Net current assets		<u>922,534</u>	<u>421,624</u>
Total assets less current liabilities		3,072,652	3,360,588
Creditors: Amounts falling due after more than one year	<u>17</u>	<u>(667,221)</u>	<u>(1,098,875)</u>
Provisions for liabilities	<u>18</u>	<u>(413,154)</u>	<u>(375,144)</u>
Net assets		<u><u>1,992,277</u></u>	<u><u>1,886,569</u></u>
Capital and reserves			
Called up share capital		75	75
Capital redemption reserve	<u>21</u>	25	25
Revaluation reserve	<u>21</u>	-	248,198
Retained earnings	<u>21</u>	<u>1,992,177</u>	<u>1,638,271</u>
Shareholders' funds		<u><u>1,992,277</u></u>	<u><u>1,886,569</u></u>

Approved and authorised by the Board on 12 December 2023 and signed on its behalf by:

C J Suttle
Director

Suttle Projects Limited

Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital	Capital redemption reserve	Revaluation reserve	Retained earnings	Total
	£	£	£	£	£
At 1 April 2022	75	25	248,198	1,638,271	1,886,569
Profit for the year	-	-	-	44,346	44,346
Transfers	-	-	(309,560)	309,560	-
Other movements on reserves	-	-	61,362	-	61,362
At 31 March 2023	75	25	-	1,992,177	1,992,277

	Share capital	Capital redemption reserve	Revaluation reserve	Profit and loss account	Total
	£	£	£	£	£
At 1 April 2021	75	25	248,198	1,425,473	1,673,771
Profit for the year	-	-	-	212,798	212,798
Total comprehensive income	-	-	-	212,798	212,798
At 31 March 2022	75	25	248,198	1,638,271	1,886,569

Suttle Projects Limited

Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Profit for the year		44,346	212,798
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	492,172	508,420
Profit on disposal of tangible assets	<u>4</u>	(39,052)	(71,527)
Finance income	<u>6</u>	(15)	(6)
Finance costs	<u>7</u>	68,537	43,350
Income tax expense	<u>11</u>	62,031	96,864
		<u>628,019</u>	<u>789,899</u>
Working capital adjustments			
Increase in stocks	<u>14</u>	(177,374)	(112,708)
Decrease in trade debtors	<u>15</u>	174,465	997,644
Increase/(decrease) in trade creditors	<u>17</u>	144,402	(2,392,371)
Net cash flow from operating activities		<u>769,512</u>	<u>(717,536)</u>
Cash flows from investing activities			
Interest received	<u>6</u>	15	6
Acquisitions of tangible assets		(972,178)	(190,989)
Proceeds from sale of tangible assets		107,903	182,163
Proceeds from sale of investment properties		<u>1,200,000</u>	<u>-</u>
Net cash flows from investing activities		<u>335,740</u>	<u>(8,820)</u>
Cash flows from financing activities			
Interest paid	<u>7</u>	(68,537)	(43,350)
Proceeds from bank borrowing draw downs		(800,128)	(116,180)
Repayment of other borrowing		83,499	(25,000)
Payments to finance lease creditors		<u>268,586</u>	<u>(526,760)</u>
Net cash flows from financing activities		<u>(516,580)</u>	<u>(711,290)</u>
Net increase/(decrease) in cash and cash equivalents		588,672	(1,437,646)
Cash and cash equivalents at 1 April		<u>(35,648)</u>	<u>1,401,997</u>
Cash and cash equivalents at 31 March		<u>553,024</u>	<u>(35,649)</u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

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

The address of its registered office is:

Swanworth Quarry
Worth Matravers
Swanage
Dorset
BH19 3LE

These financial statements were authorised for issue by the Board on 12 December 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Statement of compliance

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

Basis of preparation

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

The financial statements are presented in sterling which is the functional currency of the company. Monetary amounts are rounded to the nearest pound.

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the strategic report. The Directors' report further describes the financial position of the company; its cash flows, liquidity position and borrowing facilities; the company's objectives, policies and processes for managing its capital; details of its financial instruments and its exposure to credit risk and liquidity risk.

Judgements

In 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.

Key sources of estimation uncertainty

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised when 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. .

Revenue recognition

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

The company recognises revenue when:

The amount of revenue can be reliably measured;
it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the funds or asset received or receivable.

Government grants in respect of capital expenditure are credited to deferred income and are released to profit over the expected useful lives of the relevant assets by equal annual instalments. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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

Depreciation

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

Asset class	Depreciation method and rate
Buildings	2% on cost
Plant and machinery	20% on reducing balance
Motor vehicles	25% on reducing balance
Office equipment	20% on cost

Investment property

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

Cash and cash equivalents

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

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Stocks

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

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

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

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

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

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

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

Leases

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

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

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

Defined contribution pension obligation

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

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

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Financial instruments

Classification

Financial assets

Basic financial assets

Basic financial assets, which include trade debtors, 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 publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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 trade and other 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 receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

3 Turnover

The analysis of the company's turnover for the year from continuing operations is as follows:

	2023	2022
	£	£
Sale of goods	9,061,579	10,063,876
Rental income from investment property	72,745	66,497
Other revenue	-	7,565
	<u>9,134,324</u>	<u>10,137,938</u>

No turnover is attributable to geographical markets outside the UK.

4 Other gains and losses

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

	2023	2022
	£	£
Gain on disposal of tangible assets	<u>39,052</u>	<u>71,527</u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

5 Operating profit

Arrived at after charging/(crediting)

	2023	2022
	£	£
Depreciation expense	492,172	508,420
Research and development cost	54	-
Profit on disposal of property, plant and equipment	(39,052)	(71,527)
	<u>(39,052)</u>	<u>(71,527)</u>

6 Other interest receivable and similar income

	2023	2022
	£	£
Interest income on bank deposits	15	6
	<u>15</u>	<u>6</u>

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and borrowings	40,528	18,099
Interest on obligations under finance leases and hire purchase contracts	28,009	25,251
	<u>68,537</u>	<u>43,350</u>

8 Staff costs

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

	2023	2022
	£	£
Wages and salaries	2,590,681	2,826,284
Social security costs	31,837	28,377
Pension costs, defined contribution scheme	50,856	56,507
Other post-employment benefit costs	11,761	11,762
	<u>2,685,135</u>	<u>2,922,930</u>

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

	2023	2022
	No.	No.
Production	56	66
	<u>56</u>	<u>66</u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023 £	2022 £
Remuneration	246,692	231,796
Contributions paid to money purchase schemes	3,963	3,891
	<u>250,655</u>	<u>235,687</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2023 No.	2022 No.
Accruing benefits under money purchase pension scheme	<u>3</u>	<u>3</u>

In respect of the highest paid director:

	2023 £	2022 £
Remuneration	92,259	90,691
Company contributions to money purchase pension schemes	<u>1,321</u>	<u>1,321</u>

10 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>17,940</u>	<u>11,000</u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

11 Taxation

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

	2023 £	2022 £
Current taxation		
UK corporation tax	-	37,341
UK corporation tax adjustment to prior periods	(37,341)	-
	(37,341)	37,341
Deferred taxation		
Arising from origination and reversal of timing differences	99,372	59,523
Tax expense in the income statement	62,031	96,864

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 - lower than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	106,377	309,662
Corporation tax at standard rate	20,212	58,836
Effect of expense not deductible in determining taxable profit (tax loss)	7,194	2,779
Effect of tax losses	(37,341)	(52,521)
Deferred tax expense relating to changes in tax rates or laws	99,372	59,523
Tax (decrease)/increase from effect of capital allowances and depreciation	(27,406)	28,247
Total tax charge	62,031	96,864

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2023		
Accelerated tax depreciation	-	413,154
	-	413,154
2022		
Accelerated tax depreciation	-	313,782
Revaluation of investment property	-	61,362
	-	375,144

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

12 Tangible assets

	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation			
At 1 April 2022	2,990,306	1,067,085	4,057,391
Additions	710,697	261,481	972,178
Disposals	(111,138)	(185,445)	(296,583)
At 31 March 2023	3,589,865	1,143,121	4,732,986
Depreciation			
At 1 April 2022	1,806,786	511,640	2,318,426
Charge for the year	339,587	152,587	492,174
Eliminated on disposal	(106,375)	(121,357)	(227,732)
At 31 March 2023	2,039,998	542,870	2,582,868
Carrying amount			
At 31 March 2023	1,549,867	600,251	2,150,118
At 31 March 2022	1,160,742	578,222	1,738,964

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2023 £	2022 £
Plant and machinery	804,745	528,053
Motor vehicles	403,795	398,852
	1,208,540	926,905

13 Investment properties

	2023 £
At 1 April 2022	1,200,000
Disposals	(1,200,000)
At 31 March 2023	-

14 Stocks

	2023 £	2022 £
Other inventories	745,161	567,787

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

15 Debtors

	2023 £	2022 £
Current		
Trade debtors	2,039,570	2,393,283
Other debtors	279,790	30,390
Prepayments	101,149	171,301
	<u>2,420,509</u>	<u>2,594,974</u>

16 Cash and cash equivalents

	2023 £	2022 £
Cash at bank	552,025	-
Short-term deposits	1,000	1,000
	<u>553,025</u>	<u>1,000</u>
Bank overdrafts	-	(36,648)
Cash and cash equivalents in statement of cash flows	<u>553,025</u>	<u>(35,648)</u>

17 Creditors

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	<u>22</u>	540,002	593,039
Trade creditors		1,891,794	1,473,468
Social security and other taxes		90,673	449,007
Outstanding defined contribution pension costs		9,336	9,739
Other payables		92,083	575
Accruals		172,273	178,968
Income tax liability	<u>11</u>	-	37,341
		<u>2,796,161</u>	<u>2,742,137</u>
Due after one year			
Loans and borrowings	<u>22</u>	<u>667,221</u>	<u>1,098,875</u>

18 Provisions for liabilities

	Deferred tax £	Total £
At 1 April 2022	313,782	313,782
Additional provisions	<u>99,372</u>	<u>99,372</u>
At 31 March 2023	<u>413,154</u>	<u>413,154</u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £50,856 (2022 - £56,507).

Contributions totalling £9,336 (2022 - £9,739) were payable to the scheme at the end of the year and are included in creditors.

20 Share capital

Allotted, called up and fully paid shares

	2023		2022	
	No.	£	No.	£
Ordinary shares of £1 each	75	75	75	75

21 Reserves

Capital redemption reserve

Non-distributable reserve created in 2021 on company purchase of own shares.

Profit and loss account

Distributable reserve containing all current and prior periods' retained profits.

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

22 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	130,891	794,520
Finance lease liabilities	536,330	304,355
	<u>667,221</u>	<u>1,098,875</u>
	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	35,700	172,199
Bank overdrafts	-	36,648
Finance lease liabilities	402,803	366,192
Other borrowings	101,499	18,000
	<u>540,002</u>	<u>593,039</u>

Bank borrowings

CBILS loan is denominated in sterling with a nominal interest rate of 2.6%, and the final instalment is due on 12 January 2027. The carrying amount at year end is £139,591 (2022 - £659,864).

Other borrowings

Hire purchase and finance leases is denominated in sterling with a nominal interest rate of variable%. The carrying amount at year end is £536,330 (2022 - £670,548).

The liabilities are secured on the specific tangible fixed asset plant and vehicles financed

Included in the loans and borrowings are the following amounts due after more than five years:

	2023 £	2022 £
After more than five years by instalments	-	127,156
	<u> </u>	<u> </u>

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

23 Obligations under leases and hire purchase contracts

Finance leases

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Not later than one year	402,803	366,192
Later than one year and not later than five years	536,330	304,355
	<u>939,133</u>	<u>670,547</u>

Operating leases

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Not later than one year	8,688	8,688

The amount of non-cancellable operating lease payments recognised as an expense during the year was £108,891 (2022 - £125,651).

24 Related party transactions

Suttle Projects Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

Summary of transactions with other related parties

The company trades in the ordinary course of business with its associated company, J Suttle Transport Limited.

Transactions in the year are reported in these financial statements, as follows:

Purchases - £621,163 (2022 - £907,142) of which £220,107 (2022 - £223,538) were administration and management charges

Debtors: amounts owed by associated company - £3,015 (2022 - £14,143)

Creditors: amounts owed by associated company - £150,160 (2022 - £nil)

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