

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
Birchman Solutions Limited**

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for the Year Ended 31 December 2020**

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Birchman Solutions Limited
COMPANY INFORMATION
for the Year Ended 31 December 2020

DIRECTORS: Mr I G Wyrley-Birch
Mr R M Taylor

SECRETARY: C L Springham

REGISTERED OFFICE: Victorian Wing
Hare Hatch Grange
Bath Road
Hare Hatch
Berkshire
RG10 9SA

REGISTERED NUMBER: 02862196 (England and Wales)

AUDITORS: Cooper Dawn Jerrom Limited
Statutory Auditors and Chartered Accountants
Units SCF 1 & 2
Western International Market
Hayes Road
Southall
Middlesex
UB2 5XJ

**STRATEGIC REPORT
for the Year Ended 31 December 2020**

The directors present their Strategic Report as required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 Chapter 4A Section 414A, as updated in Companies, Partnerships and Groups (Accounts and Non-Financial Reporting) 2016 for the year ended 31 December 2020.

REVIEW OF BUSINESS

The principal activities of the company continue to be management and IT consultancy and software sales. The business is principally related to services around Digital Transformation, Business Change, Solution Implementation, Managed Services, Continuous Business Improvement, and sales of SAP software.

The business continued to grow in 2020, and overall the directors are satisfied with the performance of the company. Throughout the year the company continued to maintain and build on the relationships with its existing customer base, whilst also adding new customers.

A close relationship with SAP is essential as the company continues as a leading Value-Added Reseller (VAR) of their software licences and cloud services in the UK, and the company retained its Gold Partner status during the year. Subsequent to the year end the company has achieved Platinum Partner status through membership of United VARs.

PRINCIPAL RISKS AND UNCERTAINTIES

Although Covid-19 and the related lockdowns presented challenges for the company's employees and customers, the company previously had a culture of some remote working and the necessary infrastructure was already in place. Therefore, those employees who were more office-based were able to transition to remote working quite smoothly, and the company was able to continue to provide services to customers with significantly fewer on-site visits.

Despite the wider economic disruption caused by Covid-19, the directors believe that the business is well protected for medium and long-term growth.

The company has annuity revenue from a wide range of customers for both managed services and licence maintenance.

Contracts for licence purchases include an annual maintenance charge which is charged annually in advance. Maintenance can only be cancelled three months before the next invoice date.

Contracts for cloud services are typically for three to five years. These are charged annually in advance and can only be terminated by the customer three months prior to renewal dates.

The business is modestly exposed to fluctuations in the exchange rate with the US dollar. However a hedge is created by ensuring that any external costs related directly to a revenue contract in US dollars are in the same currency.

RESULTS AND KEY PERFORMANCE INDICATORS

Revenues for the year to 31 December 2020 increased to £15,200,146 (2019: £13,050,618) and the profit for the year after taxation amounted to £3,244,186 (2019: £2,429,928). The directors of the company approved dividends of £2,500,000 (2019: £2,250,000). The company finished the year with net assets of £1,053,567 (2019: £309,381).

The directors have a number of key performance indicators by which they measure the ongoing activities of the company. These measures include revenue, gross margin, operating margin, cash balances, cash flow forecasts, aged receivables, staff utilisation and customer service level agreements.

The company maintains a balance of permanent employees and external associates to ensure that the business is both adaptable to accommodate growth and flexible in terms of cost base. The resource mix allows the directors to manage any fluctuations in revenue, should they occur.

**STRATEGIC REPORT
for the Year Ended 31 December 2020**

FUTURE DEVELOPMENTS

From July 2021 the business became a member of the United VARs (uVARs) covering the UK region. United VARs is an alliance of over 50 companies covering over 100 countries with the shared objective of supporting international and global SAP projects through collaboration. As part of the membership, the business became an SAP Global Platinum Partner, and as a collective the business can be recognised as a platinum partner through the alliance of local leading VAR partners.

The directors expect the business to continue to grow in 2021.

The business is well placed to support the following industry trends and continue to grow:

- Companies strategy to become more agile through digital transformation.
- For the SAP install base, the move from legacy SAP ERP to SAP S/4HANA. At the time of writing ~25% of companies that were running the legacy SAP ERP have moved to SAP S/4HANA; and ~75% of the UK based companies that have not moved yet are either planning or embarking on the move.
- Companies demand for continuous business improvement through process and solution optimisation, automation and the adoption of best practices.

ON BEHALF OF THE BOARD:

Mr I G Wyrley-Birch - Director

16 December 2021

**REPORT OF THE DIRECTORS
for the Year Ended 31 December 2020**

The directors present their report with the financial statements of the company for the year ended 31 December 2020.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £25,000 per share.

The total distribution of dividends for the year ended 31 December 2020 will be £ 2,500,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2020 to the date of this report.

Mr I G Wyrley-Birch
Mr R M Taylor

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

AUDITORS

The auditors, Cooper Dawn Jerrom Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

Mr I G Wyrley-Birch - Director

16 December 2021

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BIRCHMAN SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Birchman Solutions Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Statement of Financial Position, 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 December 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BIRCHMAN SOLUTIONS 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 or the Report of the Directors.

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

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

Responsibilities of directors

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

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

Auditors' responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We plan our audit procedures thoroughly prior to conducting fieldwork which includes data analytic techniques, sampling income and expenditure transactions, reviewing classes of transactions in the balance sheet in accordance with audit methodology as well as making enquiries with senior management and directors. Additional audit procedures are undertaken if we come across information that is inconsistent or we are unable to corroborate to information that we have been provided.

There will be inherent limitations within an audit assignment and there could be a risk that we will not be able to identify irregularities which could lead to a material mis-statement on the financial statements or non-compliance with laws or regulations. There is an increased risk, in that the more compliance with a law or regulations are removed from events and transactions reflected within the financial statements, will result in ourselves being less likely to become aware of instances of non-compliance. There is a much greater risk of irregularities occurring due to fraud rather than error as fraud involves an act of deliberate concealment, forgery, collusion, omissions or misrepresentations.

We have reviewed the entity's internal controls that directors and senior management oversee on a day-to-day basis, the strong internal controls implemented would be effective in allowing the detection of irregularities on a timely basis.

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BIRCHMAN SOLUTIONS 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Amos (Senior Statutory Auditor)
for and on behalf of Cooper Dawn Jerrom Limited
Statutory Auditors and Chartered Accountants
Units SCF 1 & 2
Western International Market
Hayes Road
Southall
Middlesex
UB2 5XJ

16 December 2021

**INCOME STATEMENT
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
TURNOVER		15,200,146	13,050,618
Cost of sales		<u>(10,198,085)</u>	<u>(9,462,303)</u>
GROSS PROFIT		5,002,061	3,588,315
Administrative expenses		<u>(997,576)</u>	<u>(903,771)</u>
OPERATING PROFIT and PROFIT BEFORE TAXATION		4,004,485	2,684,544
Tax on profit	6	<u>(760,299)</u>	<u>(254,616)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>3,244,186</u></u>	<u><u>2,429,928</u></u>

**OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2020**

	31.12.20 £	31.12.19 £
Notes		
PROFIT FOR THE YEAR	3,244,186	2,429,928
OTHER COMPREHENSIVE INCOME	<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>3,244,186</u></u>	<u><u>2,429,928</u></u>

**STATEMENT OF FINANCIAL POSITION
31 December 2020**

	Notes	31.12.20 £	£	31.12.19 £	£
FIXED ASSETS					
Tangible assets	8		9,081		8,192
CURRENT ASSETS					
Debtors	9	2,948,359		1,745,070	
Cash at bank		<u>5,479,252</u>		<u>4,290,486</u>	
		8,427,611		6,035,556	
CREDITORS					
Amounts falling due within one year	10	<u>7,383,125</u>		<u>5,734,367</u>	
NET CURRENT ASSETS			<u>1,044,486</u>		<u>301,189</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,053,567</u>		<u>309,381</u>
CAPITAL AND RESERVES					
Called up share capital	11	100		100	
Retained earnings	12	<u>1,053,467</u>		<u>309,281</u>	
SHAREHOLDERS' FUNDS			<u>1,053,567</u>		<u>309,381</u>
			<u>1,053,567</u>		<u>309,381</u>

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2021 and were signed on its behalf by:

Mr I G Wyrley-Birch - Director

**STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2019	100	129,353	129,453
Changes in equity			
Dividends	-	(2,250,000)	(2,250,000)
Total comprehensive income	-	2,429,928	2,429,928
Balance at 31 December 2019	<u>100</u>	<u>309,281</u>	<u>309,381</u>
Changes in equity			
Dividends	-	(2,500,000)	(2,500,000)
Total comprehensive income	-	3,244,186	3,244,186
Balance at 31 December 2020	<u>100</u>	<u>1,053,467</u>	<u>1,053,567</u>

**STATEMENT OF CASH FLOWS
for the Year Ended 31 December 2020**

	Notes	31.12.20 £	31.12.19 £
Cash flows from operating activities			
Cash generated from operations	17	3,947,018	5,159,002
Tax paid		<u>(254,616)</u>	<u>-</u>
Net cash from operating activities		<u>3,692,402</u>	<u>5,159,002</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(3,636)</u>	<u>(1,635)</u>
Net cash from investing activities		<u>(3,636)</u>	<u>(1,635)</u>
Cash flows from financing activities			
Equity dividends paid		<u>(2,500,000)</u>	<u>(2,250,000)</u>
Net cash from financing activities		<u>(2,500,000)</u>	<u>(2,250,000)</u>
Increase in cash and cash equivalents		<u>1,188,766</u>	<u>2,907,367</u>
Cash and cash equivalents at beginning of year	18	4,290,486	1,383,119
Cash and cash equivalents at end 18 of year		<u>5,479,252</u>	<u>4,290,486</u>

**NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2020**

1. STATUTORY INFORMATION

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

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings - 10% on cost
Computer equipment - 20% on cost

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Presentation currency

The presentation currency is £ sterling. The figures in the financial statements are rounded to the nearest £ sterling.

4. EMPLOYEES AND DIRECTORS

	31.12.20	31.12.19
	£	£
Wages and salaries	1,804,265	1,183,415
Social security costs	170,183	104,766
Other pension costs	48,627	39,298
	<u>2,023,075</u>	<u>1,327,479</u>

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

	31.12.20	31.12.19
Administration	3	3
Direct	20	17
	<u>23</u>	<u>20</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

4. **EMPLOYEES AND DIRECTORS - continued**

	31.12.20	31.12.19
	£	£
Directors' remuneration	<u>-</u>	<u>-</u>

5. **OPERATING PROFIT**

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

	31.12.20	31.12.19
	£	£
Depreciation - owned assets	2,747	2,523
Loss on disposal of fixed assets	-	187
Auditors' remuneration	16,950	4,750
Foreign exchange differences	<u>24,544</u>	<u>(37,777)</u>

6. **TAXATION**

Analysis of the tax charge

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

	31.12.20	31.12.19
	£	£
Current tax:		
UK corporation tax	<u>760,299</u>	<u>254,616</u>
Tax on profit	<u>760,299</u>	<u>254,616</u>

UK corporation tax has been charged at 19% (2019 - 19%).

Reconciliation of total tax charge included in profit and loss

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

	31.12.20	31.12.19
	£	£
Profit before tax	<u>4,004,485</u>	<u>2,684,544</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	760,852	510,063
Effects of:		
Expenses not deductible for tax purposes	38	399
Capital allowances in excess of depreciation	(591)	(311)
Utilisation of tax losses	-	(245,626)
Claims to group relief	-	(9,909)
Total tax charge	<u>760,299</u>	<u>254,616</u>

7. **DIVIDENDS**

	31.12.20	31.12.19
	£	£
Final	<u>2,500,000</u>	<u>2,250,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

8. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 January 2020	4,648	10,691	15,339
Additions	-	3,636	3,636
Disposals	-	<u>(2,244)</u>	<u>(2,244)</u>
At 31 December 2020	<u>4,648</u>	<u>12,083</u>	<u>16,731</u>
DEPRECIATION			
At 1 January 2020	2,042	5,105	7,147
Charge for year	464	2,283	2,747
Eliminated on disposal	-	<u>(2,244)</u>	<u>(2,244)</u>
At 31 December 2020	<u>2,506</u>	<u>5,144</u>	<u>7,650</u>
NET BOOK VALUE			
At 31 December 2020	<u>2,142</u>	<u>6,939</u>	<u>9,081</u>
At 31 December 2019	<u>2,606</u>	<u>5,586</u>	<u>8,192</u>

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade debtors	2,849,230	1,588,696
Other debtors	62,260	115,966
Prepayments and accrued income	<u>36,869</u>	<u>40,408</u>
	<u>2,948,359</u>	<u>1,745,070</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.20 £	31.12.19 £
Trade creditors	1,494,227	1,729,470
Amounts owed to group undertakings	3,294,550	2,624,238
Amounts owed to participating interests	36,038	36,038
Tax	760,299	254,616
Social security and other taxes	55,560	145,925
Other creditors	8,055	11,227
Accruals and deferred income	<u>1,734,396</u>	<u>932,853</u>
	<u>7,383,125</u>	<u>5,734,367</u>

11. CALLED UP SHARE CAPITAL

Allotted and issued:			31.12.20	31.12.19
Number:	Class:	Nominal value:	£	£
100	Share capital 1	£1	<u>100</u>	<u>100</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

12. RESERVES

Retained
earnings
£

At 1 January 2020	309,281
Profit for the year	3,244,186
Dividends	<u>(2,500,000)</u>
At 31 December 2020	<u>1,053,467</u>

13. PENSION COMMITMENTS

The company operates a defined contribution pension scheme. Contributions payable for the year are charged in the profit and loss accounts.

14. ULTIMATE PARENT COMPANY

The Birchman Group Limited is regarded by the directors as being the company's ultimate parent company.

15. OTHER FINANCIAL COMMITMENTS

The company had total guarantees and commitments at 31st December 2020 totalling £8,451 (2019 - £5,272) which includes outstanding commitments concerning pension contributions of £8,451 (2019 - £5,272)

16. ULTIMATE CONTROLLING PARTY

The controlling party is The Birchman Group Limited.

The ultimate controlling party is Birchman ESP Limited.

The registered office for The Birchman Group Limited is located at Units SCF 1&2, Western International Market, Hayes Road, Southall, Middlesex, UB2 5XJ.

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

	31.12.20	31.12.19
	£	£
Profit before taxation	4,004,485	2,684,544
Depreciation charges	2,748	2,522
Loss on disposal of fixed assets	-	187
	<u>4,007,233</u>	<u>2,687,253</u>
Increase in trade and other debtors	(1,203,289)	(624,209)
Increase in trade and other creditors	<u>1,143,074</u>	<u>3,095,958</u>
Cash generated from operations	<u><u>3,947,018</u></u>	<u><u>5,159,002</u></u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 December 2020**

18. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 December 2020

	31.12.20	1.1.20
	£	£
Cash and cash equivalents	<u>5,479,252</u>	<u>4,290,486</u>

Year ended 31 December 2019

	31.12.19	1.1.19
	£	£
Cash and cash equivalents	<u>4,290,486</u>	<u>1,383,119</u>

19. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.20	Cash flow	At 31.12.20
	£	£	£
Net cash			
Cash at bank	<u>4,290,486</u>	<u>1,188,766</u>	<u>5,479,252</u>
	<u>4,290,486</u>	<u>1,188,766</u>	<u>5,479,252</u>
Total	<u>4,290,486</u>	<u>1,188,766</u>	<u>5,479,252</u>