

SGS DMW ENVIRONMENTAL SAFETY LIMITED
Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 31 December 2020

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for the Year Ended 31 December 2020**

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**Company Information
for the Year Ended 31 December 2020**

DIRECTORS:	M Boyd J McGurk
SECRETARY:	Mrs C A Aldag
REGISTERED OFFICE:	SGS United Kingdom Limited Inward Way Ellesmere Port Cheshire CH65 3EN
BUSINESS ADDRESS:	Unit 4 Calibre Industrial Park Laches Close Four Ashes Wolverhampton West Midlands WV10 7DZ
REGISTERED NUMBER:	03576012 (England and Wales)
AUDITORS:	Haslehursts Limited Statutory Auditor 88 Hill Village Road Sutton Coldfield West Midlands B75 5BE

**Strategic Report
for the Year Ended 31 December 2020**

The directors present their strategic report for the year ended 31 December 2020.

REVIEW OF BUSINESS

Principal activity

The principal activity of the company in the year under review was that of environmental safety and compliance consultants.

Overview

The company is an established building compliance services consultancy, the core business is the high growth area of asbestos risk management including asbestos surveys, asbestos analysis, air monitoring, asbestos awareness training and project management. Much of the company's work is underpinned by long-standing preferred supplier relationships with a host of blue chip customers from social housing derived from the EU/UK Governments "decent housing" initiative which has sustained the company for many years. Such long-term agreements provide a great visibility of income and are increasingly favoured by clients who require high performing suppliers in their supply chain.

There has also been significant growth in the commercial sector for surveys and removal work from the commercial and retail sectors where landlords are obligated by law to have their buildings free from deleterious materials and keep the public fully protected by complying with health and safety regulations in this area.

In recent years, the company has developed a core competency in workplace compliance- the closely related areas of health and safety consultancy including water hygiene and fire risk assessments working a niche market offering UK national coverage.

The business is built around the company's high value added testing services which produces margin contributions of around 80% which are required to cover the high fixed costs required by the business, mainly in the payroll and related areas such as motor vehicles and travel. In recent years the business has grown by extending its client and geographic reach and delivering a proactive tailored service for its services.

Turnover for the year amounted to £5.8m (£3.39m 6 months to 31.12.19) with profit after tax of £701k (£365k 6 months to 31.12.19).

The company currently operates a very high customer retention rate and with little or no marketing is still showing continued growth which could be further enhanced by a targeted marketing campaign.

On 1 January 2021 the trade and assets of the company were hived up to SGS United Kingdom Limited.

**Strategic Report
for the Year Ended 31 December 2020**

PRINCIPAL RISKS AND UNCERTAINTIES

The company operates in a mature market with other local business competing for the same work where prices are being driven down in the competitive market place whilst overheads are increasing such as salaries therefore reducing profit margins.

Covid -19 Global Pandemic

On the 30 January 2020 a global pandemic was announced by the World Health Organisation which later became known as the Coronanvirus disease (CoVID-19). In response to this and to reduce the spread of the virus, social distancing restrictions were put in place by governments around the World. In the United Kingdom these restrictions began on 23 March 2020 prohibiting all non essential services from operating.

The company was able to continue to trade at a reduced capacity. During this period the company utilised the government furlough scheme to retain its employees. The receipt of government funding and continued costs management has enabled the directors to be as confident as they can be that the company will continue to operate for the long term.

In addition, following an analysis of different possible scenarios, SGS group management and the SGS Societe Generale de Surveillance SA Board of Directors concluded that sufficient reserves are available in respect of the liquidity and also the equity base of the SGS group to guarantee continuity of the group for a period of not less than 12 months from signing these financial statements.

FINANCIAL KEY PERFORMANCE INDICATORS

The company measures its periodic performance on the following KPI's;

- 1.Sales generated per direct employee
- 2.Profits generated per direct employee
- 3.Periodic sales and profit levels measured against moving annual totals
- 4.Debtor collection rates and overdue balance levels
- 5.Cash generation and cash balances

The company also measures its performance against peer competitors in the industry through subscribing to "Plimsol"sector reports and through networking via its membership of professional bodies and trade association.

ON BEHALF OF THE BOARD:

M Boyd - Director

8 April 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.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of environmental safety and compliance consultants.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2020.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

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

M Boyd
J McGurk

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). 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.

**Report of the Directors
for the Year Ended 31 December 2020**

AUDITORS

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

ON BEHALF OF THE BOARD:

M Boyd - Director

8 April 2021

Report of the Independent Auditors to the Members of SGS DMW Environmental Safety Limited

Opinion

We have audited the financial statements of SGS DMW Environmental Safety Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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.

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.

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 obtained an understanding of the company's legal and regulatory framework and the industry in which it operates. We considered the risk of acts by the company that might have contravened applicable laws and regulations, including fraud. Our audit procedures were designed to respond to the risk, 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 way of forgery, intentional representations or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management and third party company representatives. There are inherent limitations in the audit procedures described above 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 would become aware of it. We did not identify any key audit matters relating to irregularities, including fraud. As in all our audits, we also 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.

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 SGS DMW Environmental Safety 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.

Stuart Penfold (Senior Statutory Auditor)
for and on behalf of Haslehursts Limited
Statutory Auditor
88 Hill Village Road
Sutton Coldfield
West Midlands
B75 5BE

14 April 2021

**Income Statement
for the Year Ended 31 December 2020**

	Notes	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
TURNOVER		5,832,163	3,390,056
Cost of sales		<u>(3,249,467)</u>	<u>(1,812,042)</u>
GROSS PROFIT		2,582,696	1,578,014
Administrative expenses		<u>(2,227,785)</u>	<u>(1,127,574)</u>
		354,911	450,440
Other operating income		<u>516,619</u>	<u>-</u>
OPERATING PROFIT	4	871,530	450,440
Interest receivable and similar income		<u>-</u>	<u>2,808</u>
		871,530	453,248
Interest payable and similar expenses	5	-	(105)
PROFIT BEFORE TAXATION		<u>871,530</u>	<u>453,143</u>
Tax on profit	6	<u>(169,556)</u>	<u>(87,927)</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>701,974</u></u>	<u><u>365,216</u></u>

**Other Comprehensive Income
for the Year Ended 31 December 2020**

	Notes	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
PROFIT FOR THE YEAR		701,974	365,216
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>701,974</u>	<u>365,216</u>

**Balance Sheet
31 December 2020**

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	7	78,872	190,725
CURRENT ASSETS			
Debtors	8	7,682,248	1,486,656
Cash at bank and in hand		<u>1,790,159</u>	<u>5,667,745</u>
		9,472,407	7,154,401
CREDITORS			
Amounts falling due within one year	9	<u>(2,738,549)</u>	<u>(1,214,418)</u>
NET CURRENT ASSETS		<u>6,733,858</u>	<u>5,939,983</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		6,812,730	6,130,708
PROVISIONS FOR LIABILITIES	11	<u>(10,461)</u>	<u>(30,413)</u>
NET ASSETS		<u>6,802,269</u>	<u>6,100,295</u>
CAPITAL AND RESERVES			
Called up share capital	12	100	100
Capital redemption reserve	13	201	201
Retained earnings	13	<u>6,801,968</u>	<u>6,099,994</u>
SHAREHOLDERS' FUNDS		<u>6,802,269</u>	<u>6,100,295</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8 April 2021 and were signed on its behalf by:

M Boyd - Director

**Statement of Changes in Equity
for the Year Ended 31 December 2020**

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 July 2019	300	5,734,978	1	5,735,279
Changes in equity				
Issue of share capital	(200)	-	-	(200)
Total comprehensive income	-	365,016	200	365,216
Balance at 31 December 2019	<u>100</u>	<u>6,099,994</u>	<u>201</u>	<u>6,100,295</u>
Changes in equity				
Total comprehensive income	-	701,974	-	701,974
Balance at 31 December 2020	<u>100</u>	<u>6,801,968</u>	<u>201</u>	<u>6,802,269</u>

**Notes to the Financial Statements
for the Year Ended 31 December 2020**

1. STATUTORY INFORMATION

SGS DMW Environmental Safety 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. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows.

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.

Short leasehold	- at varying rates on cost
Plant and machinery	- 25% on cost
Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Government grants

The company receives government grants in respect of furlough claims. These grants are recognised when there is reasonable assurance that the company will comply with conditions attaching to them and the grants will be received using the performance model.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

2. **ACCOUNTING POLICIES - continued**

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

3. **EMPLOYEES AND DIRECTORS**

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Wages and salaries	2,969,971	1,504,953
Social security costs	259,377	151,401
Other pension costs	76,776	35,366
	<u>3,306,124</u>	<u>1,691,720</u>

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

	Year Ended 31/12/20	Period 1/7/19 to 31/12/19
Directors	2	2
Administration	27	34
Direct	79	88
	<u>108</u>	<u>124</u>

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Directors' remuneration	-	10,113
Directors' pension contributions to money purchase schemes	-	367
	<u>-</u>	<u>10,480</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

3. **EMPLOYEES AND DIRECTORS - continued**

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>-</u>	<u>1</u>
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4. **OPERATING PROFIT**

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

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Other operating leases	16,705	18,926
Depreciation - owned assets	105,168	86,904
Profit on disposal of fixed assets	(12,033)	-
Auditors' remuneration	<u>8,910</u>	<u>7,000</u>

5. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Other interest	<u>-</u>	<u>105</u>

6. **TAXATION**

Analysis of the tax charge

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

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Current tax:		
UK corporation tax	188,711	103,650
Prior year adjustment	797	-
Total current tax	<u>189,508</u>	<u>103,650</u>
Deferred tax	<u>(19,952)</u>	<u>(15,723)</u>
Tax on profit	<u>169,556</u>	<u>87,927</u>

UK corporation tax has been charged at 19% .

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

6. TAXATION - continued

Reconciliation of total tax charge included in profit and loss

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

	Year Ended 31/12/20 £	Period 1/7/19 to 31/12/19 £
Profit before tax	<u>871,530</u>	<u>453,143</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	165,591	86,097
Effects of:		
Expenses not deductible for tax purposes	2,252	1,830
Depreciation in excess of capital allowances	20,868	-
Adjustments to tax charge in respect of previous periods	797	-
Deferred tax	<u>(19,952)</u>	<u>-</u>
Total tax charge	<u>169,556</u>	<u>87,927</u>

7. TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2020	374,494	95,673	143,042
Additions	-	5,281	-
Disposals	-	-	-
At 31 December 2020	<u>374,494</u>	<u>100,954</u>	<u>143,042</u>
DEPRECIATION			
At 1 January 2020	343,483	93,048	142,762
Charge for year	9,673	6,842	155
Eliminated on disposal	-	-	-
At 31 December 2020	<u>353,156</u>	<u>99,890</u>	<u>142,917</u>
NET BOOK VALUE			
At 31 December 2020	<u>21,338</u>	<u>1,064</u>	<u>125</u>
At 31 December 2019	<u>31,011</u>	<u>2,625</u>	<u>280</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

7. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2020	370,334	527,091	1,510,634
Additions	-	-	5,281
Disposals	(68,990)	-	(68,990)
At 31 December 2020	<u>301,344</u>	<u>527,091</u>	<u>1,446,925</u>
DEPRECIATION			
At 1 January 2020	301,315	439,301	1,319,909
Charge for year	48,547	39,951	105,168
Eliminated on disposal	(57,024)	-	(57,024)
At 31 December 2020	<u>292,838</u>	<u>479,252</u>	<u>1,368,053</u>
NET BOOK VALUE			
At 31 December 2020	<u>8,506</u>	<u>47,839</u>	<u>78,872</u>
At 31 December 2019	<u>69,019</u>	<u>87,790</u>	<u>190,725</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	1,102,314	1,178,546
Bad debt provision	(33,585)	(70,992)
Amounts owed by group undertakings	6,175,112	-
Other debtors	-	117,009
Prepayments and accrued income	438,407	262,093
	<u>7,682,248</u>	<u>1,486,656</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	185,035	281,258
Amounts owed to group undertakings	2,096,453	51,278
Corporation tax	106,211	401,705
Social security and other taxes	-	66,689
VAT	276,748	319,488
Other creditors	-	11,754
Accruals and deferred income	74,102	82,246
	<u>2,738,549</u>	<u>1,214,418</u>

Notes to the Financial Statements - continued
for the Year Ended 31 December 2020

10. **LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	90,585	174,282
Between one and five years	<u>60,592</u>	<u>111,175</u>
	<u>151,177</u>	<u>285,457</u>

11. **PROVISIONS FOR LIABILITIES**

	2020	2019
	£	£
Deferred tax		
Accelerated capital allowances	<u>10,461</u>	<u>30,413</u>
		Deferred tax
		£
Balance at 1 January 2020		30,413
Credit to Income Statement during year		<u>(19,952)</u>
Balance at 31 December 2020		<u>10,461</u>

12. **CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:			2020	2019
Number:	Class:	Nominal value:	£	£
99	Ordinary	£1	99	99
1	Ordinary "B" shares	£1	<u>1</u>	<u>1</u>
			<u>100</u>	<u>100</u>

13. **RESERVES**

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 January 2020	6,099,994	201	6,100,195
Profit for the year	<u>701,974</u>		<u>701,974</u>
At 31 December 2020	<u>6,801,968</u>	<u>201</u>	<u>6,802,169</u>

14. **ULTIMATE CONTROLLING COMPANY**

The controlling party is SGS Societe Generale de Surveillance SA, a company incorporated in Switzerland.

**Notes to the Financial Statements - continued
for the Year Ended 31 December 2020**

15. POST BALANCE SHEET EVENTS

The company's trade and assets were hived up to SGS United Kingdom Limited on the 1 January 2021.