

**IOR GROUP LIMITED**  
**Strategic Report, Directors' Report and**  
**Financial Statements**  
**for the Year Ended 30 June 2021**

Contents of the Financial Statements  
for the year ended 30 June 2021

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**IOR GROUP LIMITED**  
**Company Information**  
**for the year ended 30 June 2021**

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<b>Directors:</b>	M M Randall N J Sinsbury G C Anderson T Wright
<b>Secretary:</b>	N J Sinsbury
<b>Registered office:</b>	The Studio 98 Kew Road Richmond Surrey TW9 2PQ
<b>Registered number:</b>	02373644 (England and Wales)
<b>Auditors:</b>	Haines Watts Chartered Accountants and Statutory Auditor 178 Buckingham Avenue Slough Berkshire SL1 4RD
<b>Bankers:</b>	Bank of Scotland PLC 155 Bishopgate London EC2M 3YB

**Strategic Report  
for the year ended 30 June 2021**

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The directors present their strategic report for the year ended 30 June 2021.

We aim to present a balanced and comprehensive review of the development and performance of our business during the year and its position at the year end.

Our review is consistent with the size and nature of our business and is written in the context of the risks and uncertainties we face.

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the Company, these being turnover and profit margins.

**Review of business**

The Company reports a profit in the year of £1,078,778 (2020: loss £699,737). The reasons for which are explained below.

The Directors note the following key performance indicators are used by management to actively and effectively run the business with the aim of profitable growth and maximising stakeholder value.

**Turnover**

The Directors report that the turnover was £15M for the year. This was lower than planned because the Covid pandemic continued to have an impact, affecting project programmes, and ultimately turnover, particularly at the beginning of the financial year. The Company continued to operate, win and deliver quality projects throughout the year. The majority of projects delayed, did commence during the year. Along with the delivery of key prestigious projects for our existing client base, the Company also won and delivered a number of high profile new business projects during the year.

During the period under review, the Company continued with its programme of targeted, focused recruitment of key individuals, and the investment for new business generation. The measured strategic planning and business relationship building, is now showing rewards. Turnover will show substantial growth in the following period and years to come.

**Gross profit**

The Directors report gross profit of £3.4M. The margin improved from 21.8% to 22.8%. The Company continues to target margins, actively analysing and working with the Company's supply chain to improve efficiencies and ultimately control costs. The increase in margin is a reflection of the overall mix of the service offer of office fit-out, design, refurbishment and office furniture. IOR Group remains fully committed to its holistic service offer, including workplace consultancy, architectural design and project management.

**Operating profit**

The Directors reported an operating profit of £1,082,901 (2020: loss £655,001).

**Administrative expenses**

During the period, administrative expenses reduced substantially from the previous year. Following the impact of the pandemic, the Directors continued with its actions to control costs in line with turnover. Measures taken included the use of Government support schemes, direct cost reductions and the re-evaluation of the Company's property requirements.

**Principal risks and uncertainties**

The Company's activities expose it to certain financial risks, including currency risk, credit risk and liquidity risk. The Directors carry out risk management on a regular basis, ensuring the company's risk policies are adhered to. This programme of risk management seeks to limit any adverse effects on the financial performance of the Company by maintaining adequate reserves and banking facilities, and the monitoring of rolling forecasts and actual cash flows on a regular basis.

**Strategic Report  
for the year ended 30 June 2021**

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**Future developments**

The Covid Pandemic has had a direct impact upon the Office Fit Out Industry. Although, the short term effect remained somewhat subdued in the first half of the year in terms of turnover, the continued development and strategies actioned during this time resulted in a very positive outlook going forward in terms of opportunities and activity. Along with an excellent existing customer base, the last twelve months has seen a substantial number of high profile new business wins and relationships. As all businesses review their workplace, a huge opportunity is presented to the industry.

In summary:

- Immediate actions taken by the business to balance and control costs, and the direct positive impact of the re-evaluation of its property requirements.
- The majority of pipeline projects won but delayed by Covid were not lost and did commence on site in the financial year.
- Opportunities arise from new ways of working and the use of office space as business evaluate and return to the workplace.
- The continued recruitment of quality staff in line with growth.
- The on-going sales strategy and significant new business wins. The development and retention of long-lasting relationships and the delivery of quality service in a competitive market. Actively identifying new business opportunities as they arise, maintaining strong repeat custom and quality clients.

The Directors are confident of considerable turnover and profit growth in both the coming and future years.

The company is committed to purchasing a further 100 B shares for consideration of £1,000,000 within the current financial year.

**On behalf of the board:**

M M Randall - Director

14 September 2021

**Directors' Report  
for the year ended 30 June 2021**

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The directors present their report with the financial statements of the company for the year ended 30 June 2021.

**Principal activity**

The company's principal activity during the period continued to be the fit-out and furnishing of commercial properties, creating quality environments with flexibility and speed. The focus is to provide a full "end to end" client service, from building search through to lifecycle.

**Dividends**

No dividends will be distributed for the year ended 30 June 2021.

**Directors**

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

M M Randall

N J Sinsbury

Other changes in directors holding office are as follows:

G C Anderson - appointed 29 April 2021

T Wright - appointed 29 April 2021

**Charitable donations**

During the period the company made charitable donations of £nil (2020: £832).

**Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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.

**On behalf of the board:**

M M Randall - Director

14 September 2021

## Independent Auditors' Report to the Members of IOR Group Limited

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### **Opinion**

We have audited the financial statements of IOR Group Limited (the 'company') for the year ended 30 June 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement 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 30 June 2021 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Directors' view on the impact of COVID-19 is disclosed on accounting policy Going Concern.

### **Other information**

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' 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 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

## Independent Auditors' Report to the Members of IOR Group Limited

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### **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 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, 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 an Auditors' 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:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to 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 and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

**Independent Auditors' Report to the Members of  
IOR Group Limited**

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**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 Auditors' 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.

Paul Simmons (Senior Statutory Auditor)  
for and on behalf of Haines Watts  
Chartered Accountants and Statutory Auditor  
178 Buckingham Avenue  
Slough  
Berkshire  
SL1 4RD

14 September 2021

**Statement of Comprehensive  
Income  
for the year ended 30 June 2021**

	Notes	2021 £	2020 £
<b>Turnover</b>	3	14,882,175	9,956,457
Cost of sales		<u>(11,481,683)</u>	<u>(7,869,255)</u>
<b>Gross profit</b>		3,400,492	2,087,202
Selling costs		(1,767)	(8,211)
Administrative expenses		<u>(2,461,757)</u>	<u>(2,903,051)</u>
		936,968	(824,060)
Other operating income	4	145,933	169,059
<b>Operating profit/(loss)</b>		<u>1,082,901</u>	<u>(655,001)</u>
Interest receivable and similar income		556	10,264
		<u>1,083,457</u>	<u>(644,737)</u>
Interest payable and similar expenses	7	(55,533)	(55,000)
<b>Profit/(loss) before taxation</b>	8	<u>1,027,924</u>	<u>(699,737)</u>
Tax on profit/(loss)	9	50,854	-
<b>Profit/(loss) for the financial year</b>		<u>1,078,778</u>	<u>(699,737)</u>
<b>Other comprehensive income</b>		-	-
<b>Total comprehensive income for the year</b>		<u>1,078,778</u>	<u>(699,737)</u>

Balance Sheet  
30 June 2021

	Notes	£	2021 £	£	2020 £
<b>Fixed assets</b>					
Tangible assets	10		672,824		58,998
Investments	11		5,000		5,000
Investment property	12		-		625,000
			<u>677,824</u>		<u>688,998</u>
<b>Current assets</b>					
Stocks	13	113,252		115,788	
Debtors	14	6,596,480		2,585,847	
Investments	15	121,377		148,616	
Cash at bank and in hand		<u>1,565,464</u>		<u>1,402,637</u>	
		8,396,573		4,252,888	
<b>Creditors</b>					
Amounts falling due within one year	16	<u>7,519,076</u>		<u>3,508,460</u>	
<b>Net current assets</b>			<u>877,497</u>		<u>744,428</u>
<b>Total assets less current liabilities</b>			<u>1,555,321</u>		<u>1,433,426</u>
<b>Creditors</b>					
Amounts falling due after more than one year	17		(391,667)		(350,000)
<b>Provisions for liabilities</b>	19		<u>(30,587)</u>		<u>(35,080)</u>
<b>Net assets</b>			<u>1,133,067</u>		<u>1,048,346</u>
<b>Capital and reserves</b>					
Called up share capital	20		500		600
Revaluation reserve	21		362,932		-
Capital redemption reserve	21		500		400
Share based payment reserve	21		49,519		43,576
Retained earnings	21		<u>719,616</u>		<u>1,003,770</u>
<b>Shareholders' funds</b>			<u>1,133,067</u>		<u>1,048,346</u>

The financial statements were approved by the Board of Directors and authorised for issue on 14 September 2021 and were signed on its behalf by:

M M Randall - Director

Statement of Changes in Equity  
for the year ended 30 June 2021

	Called up share capital £	Retained earnings £	Revaluation reserve £
<b>Balance at 1 July 2019</b>	600	1,703,507	-
<b>Changes in equity</b>			
Total comprehensive income	-	(699,737)	-
<b>Balance at 30 June 2020</b>	600	1,003,770	-
<b>Changes in equity</b>			
Issue of share capital	(100)	-	-
Total comprehensive income	-	78,778	-
Revaluation on transfer of investment property to freehold property	-	(362,932)	362,932
<b>Balance at 30 June 2021</b>	500	719,616	362,932
	<b>Capital redemption reserve £</b>	<b>Share based payment reserve £</b>	<b>Total equity £</b>
<b>Balance at 1 July 2019</b>	400	25,749	1,730,256
<b>Changes in equity</b>			
Total comprehensive income	-	17,827	(681,910)
<b>Balance at 30 June 2020</b>	400	43,576	1,048,346
<b>Changes in equity</b>			
Issue of share capital	-	-	(100)
Total comprehensive income	-	5,943	84,721
Cancellation of shares	100	-	100
<b>Balance at 30 June 2021</b>	500	49,519	1,133,067

**Cash Flow Statement**  
for the year ended 30 June 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	26	1,228,949	818,092
Interest paid		(55,533)	(55,000)
Net cash from operating activities		<u>1,173,416</u>	<u>763,092</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(38,384)	(4,612)
Interest received		556	10,264
Net cash from investing activities		<u>(37,828)</u>	<u>5,652</u>
<b>Cash flows from financing activities</b>			
Purchase of own shares		(1,000,000)	-
Purchase of short term investments		-	(120,000)
Disposal of short term investments		27,239	-
Net cash from financing activities		<u>(972,761)</u>	<u>(120,000)</u>
<b>Increase in cash and cash equivalents</b>		<u>162,827</u>	<u>648,744</u>
<b>Cash and cash equivalents at beginning of year</b>	27	1,402,637	753,893
<b>Cash and cash equivalents at end of year</b>	27	<u>1,565,464</u>	<u>1,402,637</u>

The notes form part of these financial statements

**Notes to the Financial Statements  
for the year ended 30 June 2021**

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1. **Statutory information**

IOR Group Limited is a private company, limited by shares, registered in England and Wales. The company's registered number is 02373644 and registered office address is 98 Kew Road, Richmond, Surrey, TW9 2PQ.

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.

Group financial statements have not been prepared as all of the company's subsidiaries are permitted to be excluded from group financial statements by virtue of sections 402 and 405 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

**Going concern**

The Directors have identified no material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern.

In response to the COVID-19 pandemic, the Directors have reviewed their cash flow analysis to take into account the impact on their business of possible scenarios brought on by the impact of COVID-19, alongside the measures that they have taken to mitigate the impact. The business has also made use of Government assistance available including the Job Retention Scheme. Based on these assessments, given the measures undertaken to mitigate the current adverse conditions, and the current resources available, the Directors have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

**Turnover**

Turnover represents amounts receivable for goods and services provided in the year, in line with the company's stated principal activity, and is stated net of VAT.

When the outcome of a contract can be estimated reliably, contract costs and turnover are recognised by reference to stage of completion at the balance sheet date. Stage of completion is measured by reference to progress against a contracted milestone programme.

Unbilled revenue is included as amounts recoverable on contracts within debtors.

**Tangible fixed assets**

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

Freehold property	- 2% on cost
Office equipment	- 25% on reducing balance

**Government grants**

The accruals model has been adopted in recognising grant income relating to the Coronavirus Job Retention Scheme (CJRS). Grant income has been recognised in the same period in which the expense has been incurred and included in other operating income.

**Investment property**

Investment properties are included in the balance sheet at their fair value.

Deferred tax is accounted for to reflect the estimated tax on the capital gain that would arise on sale of the investment properties. The effect of the provision for deferred tax is recognised in the profit and loss account.

**Stock**

Stock, comprising finished furniture goods relating to fit-outs, are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

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2. **Accounting policies - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, 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.

**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.

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

**Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**Investments**

Current and fixed asset investments held are shown at fair value less any provision for impairment.

**Long-term contracts**

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses.

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

2. **Accounting policies - continued**

**Financial instruments**

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

3. **Turnover**

The turnover and profit (2020 - loss) before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2021 £	2020 £
United Kingdom	14,882,175	9,956,457
	<u>14,882,175</u>	<u>9,956,457</u>

4. **Other operating income**

	2021 £	2020 £
Discounts received	-	562
Rents received	32,658	113,165
Government grant income	113,275	55,332
	<u>145,933</u>	<u>169,059</u>

5. **Employees and directors**

	2021 £	2020 £
Wages and salaries	2,048,843	2,020,647
Social security costs	182,434	184,497
Other pension costs	38,887	39,714
	<u>2,270,164</u>	<u>2,244,858</u>

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

	2021	2020
	<u>27</u>	<u>31</u>

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

6.	<b>Directors' emoluments</b>	<b>2021</b>	<b>2020</b>
		£	£
	Directors' remuneration	534,018	313,505
	Directors' pension contributions to money purchase schemes	<u>16,117</u>	<u>13,025</u>
	The number of directors to whom retirement benefits were accruing was as follows:		
	Money purchase schemes	<u>4</u>	<u>2</u>
	Information regarding the highest paid director is as follows:		
		<b>2021</b>	<b>2020</b>
		£	£
	Emoluments etc	173,724	161,969
	Pension contributions to money purchase schemes	<u>1,503</u>	<u>1,496</u>
7.	<b>Interest payable and similar expenses</b>	<b>2021</b>	<b>2020</b>
		£	£
	Interest payable	<u>55,533</u>	<u>55,000</u>
8.	<b>Profit/(loss) before taxation</b>		
	The profit (2020 - loss) is stated after charging:		
		<b>2021</b>	<b>2020</b>
		£	£
	Other operating leases	223,158	266,186
	Depreciation - owned assets	49,558	17,258
	Auditors' remuneration	11,000	12,277
	Foreign exchange differences	<u>426</u>	<u>53</u>
9.	<b>Taxation</b>		
	<b>Analysis of the tax credit</b>		
	The tax credit on the profit for the year was as follows:		
		<b>2021</b>	<b>2020</b>
		£	£
	Deferred tax	<u>(50,854)</u>	-
	Tax on profit/(loss)	<u>(50,854)</u>	<u>-</u>

UK corporation tax has been charged at 19% .

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

9. Taxation - continued

**Reconciliation of total tax credit 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:

	2021 £	2020 £
Profit/(loss) before tax	<u>1,027,924</u>	<u>(699,737)</u>
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	195,306	(132,950)
Effects of:		
Expenses not deductible for tax purposes	2,926	3,350
Utilisation of tax losses	-	1,309
Losses carried forward	(249,086)	-
Other timing differences	-	128,291
Total tax credit	<u>(50,854)</u>	<u>-</u>

10. Tangible fixed assets

	Freehold property £	Office equipment £	Totals £
<b>Cost</b>			
At 1 July 2020	-	406,531	406,531
Additions	625,000	38,384	663,384
At 30 June 2021	<u>625,000</u>	<u>444,915</u>	<u>1,069,915</u>
<b>Depreciation</b>			
At 1 July 2020	-	347,533	347,533
Charge for year	3,125	46,433	49,558
At 30 June 2021	<u>3,125</u>	<u>393,966</u>	<u>397,091</u>
<b>Net book value</b>			
At 30 June 2021	<u>621,875</u>	<u>50,949</u>	<u>672,824</u>
At 30 June 2020	<u>-</u>	<u>58,998</u>	<u>58,998</u>

During the year, IOR Group Limited occupied the investment property as their business premises. This property has now been treated as a freehold property. Please see Note 12.

11. Fixed asset investments

	Shares in group undertakings £
<b>Cost</b>	
At 1 July 2020 and 30 June 2021	<u>5,000</u>
<b>Net book value</b>	
At 30 June 2021	<u>5,000</u>
At 30 June 2020	<u>5,000</u>

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

11. **Fixed asset investments - continued**

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Anderson & Brown (Bishopsgate) Limited**

Registered office:

Nature of business: Dormant

	% holding	2021 £	2020 £
Class of shares:	100.00		
Ordinary			
Aggregate capital and reserves		<u>5,000</u>	<u>5,000</u>

**Interiors of Richmond Limited**

Registered office:

Nature of business: Dormant

	% holding	2021 £	2020 £
Class of shares:	100.00		
Ordinary			
Aggregate capital and reserves		<u>2</u>	<u>2</u>

12. **Investment property**

**Fair value**

At 1 July 2020

Transfer to freehold property

At 30 June 2021

**Net book value**

At 30 June 2021

At 30 June 2020

**Total  
£**

625,000

(625,000)

-

-

625,000

13. **Stocks**

	2021 £	2020 £
Finished goods	<u>113,252</u>	<u>115,788</u>

14. **Debtors**

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	3,239,864	984,858
Other debtors	3,091	20,922
Prepayments and accrued income	<u>3,114,809</u>	<u>1,387,712</u>
	<u>6,357,764</u>	<u>2,393,492</u>

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

14.	<b>Debtors - continued</b>		
		<b>2021</b>	<b>2020</b>
		£	£
	Amounts falling due after more than one year:		
	Other debtors	<u>238,716</u>	<u>192,355</u>
	Aggregate amounts	<u>6,596,480</u>	<u>2,585,847</u>
15.	<b>Current asset investments</b>		
		<b>2021</b>	<b>2020</b>
		£	£
	Listed investments	<u>121,377</u>	<u>148,616</u>
16.	<b>Creditors: amounts falling due within one year</b>		
		<b>2021</b>	<b>2020</b>
		£	£
	Trade creditors	3,545,473	1,435,545
	Amounts owed to group undertakings	5,000	5,000
	VAT	789,423	366,961
	Other creditors	272,771	459,180
	Bank loans	8,333	-
	Accruals and deferred income	<u>2,898,076</u>	<u>1,241,774</u>
		<u>7,519,076</u>	<u>3,508,460</u>
17.	<b>Creditors: amounts falling due after more than one year</b>		
		<b>2021</b>	<b>2020</b>
		£	£
	Other creditors	350,000	350,000
	Bank loans	41,667	-
		<u>391,667</u>	<u>350,000</u>
18.	<b>Leasing agreements</b>		
	Minimum lease payments under non-cancellable operating leases fall due as follows:		
		<b>2021</b>	<b>2020</b>
		£	£
	Within one year	86,500	281,500
	Between one and five years	86,500	953,000
	In more than five years	-	34,726
		<u>173,000</u>	<u>1,269,226</u>
19.	<b>Provisions for liabilities</b>		
		<b>2021</b>	<b>2020</b>
		£	£
	Deferred tax		
	On capital gain	<u>30,587</u>	<u>35,080</u>

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

19. Provisions for liabilities - continued

	Deferred tax £
Balance at 1 July 2020	35,080
Credit to Statement of Comprehensive Income during year	(4,493)
Balance at 30 June 2021	<u>30,587</u>

20. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value: £1	2021 £	2020 £
400	A shares	£1	400	400
100	B shares	£1	100	200
			<u>500</u>	<u>600</u>

During the year 100 B shares were purchased for consideration of £1,000,000 out of distributable profits. These shares were subsequently cancelled. The company is committed to purchasing a further 100 B shares for consideration of £1,000,000 within the current financial year.

21. Reserves

	Retained earnings £	Revaluation reserve £	Capital redemption reserve £	Share based payment reserve £	Totals £
At 1 July 2020	1,003,770	-	400	43,576	1,047,746
Profit for the year	1,078,778	-	-	-	1,078,778
Purchase of own shares	(1,000,000)	-	-	-	(1,000,000)
Share based payment release	-	-	-	5,943	5,943
Revaluation on transfer of investment property to freehold property	(362,932)	362,932	-	-	-
Cancellation of shares	-	-	100	-	100
At 30 June 2021	<u>719,616</u>	<u>362,932</u>	<u>500</u>	<u>49,519</u>	<u>1,132,567</u>

At the year end £nil (2020: £362,932) of the total retained earnings are non-distributable, relating to fair value movements on fixed and current asset investments and the associated deferred tax movements. During the year, IOR Group Limited occupied the investment property as their business premises. Therefore any non distributable reserves were subsequently transferred to the revaluation reserve.

22. Pension commitments

The company operates a defined contribution pension scheme for employees. The annual contributions payable charged to the profit and loss account in the period amounted to £38,887 (2020 - £39,714). There was no balance outstanding at the year end.

23. Related party disclosures

At the year end included in creditors due in less than one year is £200,000 (2020: £200,000) and creditors due in more than one year is £350,000 (2020: £350,000) owed to a director. At the year end £110,000 (2020: £55,000) of interest was accrued on amounts due to the director and included in accruals and deferred income.

24. Ultimate controlling party

M M Randall was the ultimate controlling party at the balance sheet date by virtue of his majority shareholding.

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

25. Share-based payment transactions

Enterprise Management Incentive  
Scheme

Date of grant	27 August 2013
Number granted	108
Weighted average exercise price	£ 1,651
Contractual life	10 years

During the period ended 31 December 2013, the Company established an Enterprise Management Incentive (EMI) scheme which will vest at the earlier of the sale of the company, the sale of the company's business, a fundamental re-organisation or 10 years from the grant date.

The estimated fair value of each share option granted in the EMI scheme is £1,651 which has been calculated based on the average profit before tax of the Company, for the previous 3 years.

During the period to 30 June 2021, an expense of £5,943 (2020: £17,827) has been recognised in the profit and loss account. No options have been exercised at the end of the reporting period.

26. Reconciliation of profit/(loss) before taxation to cash generated from operations

	2021	2020
	£	£
Profit/(loss) before taxation	1,027,924	(699,737)
Depreciation charges	49,558	17,258
Share based payment expense	5,943	17,827
Effect of fair value valuations	-	12,843
Finance costs	55,533	55,000
Finance income	(556)	(10,264)
	<u>1,138,402</u>	<u>(607,073)</u>
Decrease/(increase) in stocks	2,536	(15,577)
(Increase)/decrease in trade and other debtors	(3,964,272)	1,687,802
Increase/(decrease) in trade and other creditors	4,052,283	(247,060)
<b>Cash generated from operations</b>	<u>1,228,949</u>	<u>818,092</u>

27. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2021

	30/6/21	1/7/20
	£	£
Cash and cash equivalents	<u>1,565,464</u>	<u>1,402,637</u>

Year ended 30 June 2020

	30/6/20	1/7/19
	£	£
Cash and cash equivalents	<u>1,402,637</u>	<u>753,893</u>

Notes to the Financial Statements - continued  
for the year ended 30 June 2021

28. Analysis of changes in net funds

	At 1/7/20 £	Cash flow £	At 30/6/21 £
<b>Net cash</b>			
Cash at bank and in hand	1,402,637	162,827	1,565,464
	<u>1,402,637</u>	<u>162,827</u>	<u>1,565,464</u>
<b>Liquid resources</b>			
Current asset investments	148,616	(27,239)	121,377
	<u>148,616</u>	<u>(27,239)</u>	<u>121,377</u>
<b>Total</b>	<u>1,551,253</u>	<u>135,588</u>	<u>1,686,841</u>

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