

Company Registration No. 08101751 (England and Wales)

PERSONNEL CHECKS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2020
PAGES FOR FILING WITH REGISTRAR

PERSONNEL CHECKS LIMITED

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PERSONNEL CHECKS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	3		972,323		1,093,531
Tangible assets	4		94,996		74,568
			<u>1,067,319</u>		<u>1,168,099</u>
Current assets					
Debtors	5	132,312		106,285	
Cash at bank and in hand		399,467		422,463	
		<u>531,779</u>		<u>528,748</u>	
Creditors: amounts falling due within one year	6	(526,575)		(469,611)	
Net current assets			<u>5,204</u>		<u>59,137</u>
Total assets less current liabilities			<u>1,072,523</u>		<u>1,227,236</u>
Provisions for liabilities			<u>(18,049)</u>		<u>(12,677)</u>
Net assets			<u>1,054,474</u>		<u>1,214,559</u>
Capital and reserves					
Called up share capital	7		100		100
Share premium account			-		1,399,900
Profit and loss reserves			1,054,374		(185,441)
Total equity			<u>1,054,474</u>		<u>1,214,559</u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 March 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

PERSONNEL CHECKS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2020

The financial statements were approved by the board of directors and authorised for issue on 8 March 2021 and are signed on its behalf by:

Mr J Mellor
Director

Company Registration No. 08101751

PERSONNEL CHECKS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2020

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 April 2018	1	-	-	1
Year ended 31 March 2019:				
Profit and total comprehensive income for the year	-	-	30,230	30,230
Issue of share capital	7	1,399,900	-	1,399,999
Dividends	-	-	(215,671)	(215,671)
Balance at 31 March 2019	100	1,399,900	(185,441)	1,214,559
Year ended 31 March 2020:				
Profit and total comprehensive income for the year	-	-	143,581	143,581
Dividends	-	-	(303,666)	(303,666)
Reduction of shares	7	(1,399,900)	1,399,900	-
Balance at 31 March 2020	100	-	1,054,374	1,054,474

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Company information

Personnel Checks Limited is a private company limited by shares incorporated in England and Wales. The registered office is One Cathedral Square, Cathedral Quarter, Blackburn, Lancashire, BB1 1FB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of [XXXXX]. These consolidated financial statements are available from its registered office, [XXXXXX].

1.2 Going concern

The directors are not aware of any material uncertainties affecting the company and consider that the company will have sufficient resources to continue trading for the foreseeable future. As a result the directors have continued to adopt the going concern basis in preparing the financial statements.

Whilst the directors have adopted the going concern basis set out above, the impact of the worldwide Coronavirus pandemic, Covid-19, on all businesses represents an uncertainty and the true impact of this pandemic will only become apparent over time.

The directors have given due consideration to the impact and potential future impact of the pandemic on the company in arriving at the going concern basis of preparation.

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies (Continued)

1.3 Turnover

Turnover represents amounts receivable for services supplied net of VAT and trade discounts.

Income received in relation to DBS checks is recognised in full when the monies are received. These amounts are non-refundable and relate to personnel checks undertaken on behalf of customers. The company uses an independent body to conduct these and incur the charges upon the commencement of the application process.

The company enters into binding non-refundable agreements with local authorities on licensed taxi drivers whereby the local authority has access to such checks on three occasions without further charge and any further checks are charged for. Turnover and profit is recognised at the point of payment and is non-refundable.

1.4 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of the trade and assets of businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and machinery	33% straight line/25% reducing balance
Fixtures, fittings & equipment	15% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies **(Continued)**

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020 Number	2019 Number
Total	16	14

3 Intangible fixed assets

	Goodwill £
Cost	
At 1 April 2019 and 31 March 2020	1,212,083
Amortisation and impairment	
At 1 April 2019	118,552
Amortisation charged for the year	121,208
At 31 March 2020	239,760
Carrying amount	
At 31 March 2020	972,323
At 31 March 2019	1,093,531

4 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 April 2019	88,800
Additions	41,694
At 31 March 2020	130,494
Depreciation and impairment	
At 1 April 2019	14,232
Depreciation charged in the year	21,266
At 31 March 2020	35,498
Carrying amount	
At 31 March 2020	94,996
At 31 March 2019	74,568

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

5 Debtors	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	109,897	89,161
Other debtors	22,415	17,124
	<u>132,312</u>	<u>106,285</u>
	<u><u>132,312</u></u>	<u><u>106,285</u></u>
6 Creditors: amounts falling due within one year	2020	2019
	£	£
Trade creditors	222,169	246,799
Taxation and social security	98,463	74,677
Other creditors	205,943	148,135
	<u>526,575</u>	<u>469,611</u>
	<u><u>526,575</u></u>	<u><u>469,611</u></u>

PERSONNEL CHECKS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7	Called up share capital	2020	2019
		£	£
	Ordinary share capital		
	Issued and fully paid		
	100 ordinary shares of £1 each	100	100
		<u>100</u>	<u>100</u>

On 10 March 2020 the company undertook a capital reduction in respect of the entire share premium account.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.