

REGISTERED NUMBER: 04492402 (England and Wales)

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021  
FOR  
TSL LIMITED**



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FOR THE YEAR ENDED 31 DECEMBER 2021**

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**TSL LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2021**

<b>DIRECTORS:</b>	M A McDonnell J Wild E Porter G Brookes
<b>SECRETARY:</b>	J Wild
<b>REGISTERED OFFICE:</b>	Chalfont Park House Chalfont Park Gerrards Cross Buckinghamshire SL9 0DZ
<b>REGISTERED NUMBER:</b>	04492402 (England and Wales)
<b>AUDITORS:</b>	Cube Partners Limited, Statutory Auditor 5 Giffard Court Millbrook Close Northampton NN5 5JF

**TSL LIMITED (REGISTERED NUMBER: 04492402)**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their strategic report for the year ended 31 December 2021.

**Reporting Period**

This report covers the company's financial performance for the period 01 January 2021 to 31 December 2021.

**Principal Activity**

The principal activity of the company, in the period under review, was that of major projects in the food, pharmaceutical, logistics, data centre and hi-tech manufacturing sectors. TSL Limited undertook the process and facility design, project management and construction of projects in the capacity of Principal Contractor.

**The Board's Statement on s172(1)**

The Board of Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture. As part of the Board's decision-making process, the Board and its Committees consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the environment, responsible business practices and the likely consequences of decisions in the long term.

Illustrations of how s172 factors have been applied by the Board can be found throughout the Strategic Report. For example, for details on how we have considered the impact of the Company's operations on the environment see the sections on Sustainability, BREEAM and Streamlined Energy and Carbon Reporting; information on how we respond to the changing global market can be found under the section on Market Pressures; for details on how we have considered the impact of the Company's operations on our employees see, amongst others, the sections on Worksafe: WorkSmart and TSL Academy; and for growth plan decisions, see the section on Review of Business.

The Strategic Report identifies throughout information relevant to s172 factors and importantly how the Company maintains high standards of business conduct.

Read more about how the Board consider the views of employees, customers and other key stakeholders in their decision-making below.

**Market Pressures**

The impact of the Covid-19 pandemic and the challenges in the market brought on by Brexit have, for obvious reasons, impacted on TSL's Gross Profit performance in this reporting period, however, we have achieved our planned growth targets and have continued to deliver against all of our business KPI's. We have secured a strong pipeline of projects on a negotiated basis which has reduced the impact of the pricing volatility giving a positive outlook as we move into 2022.

The Ukraine conflict has added further unprecedented market pressures and increasing unit rates throughout the trades. TSL have been vigilant, in monitoring the market, to ensure that its price base and projections are sensible and commensurate with the current wider economy.

**Worksafe: WorkSmart**

In 2021, TSL launched an initiative titled Work Safe: Work Smart. The initiative focuses on four key elements: People, Process, Places and Technology. Each element has a series of subsections, executed as individual projects. A central Work Safe: Work Smart team has been established, to track and coordinate the various workstreams and to maintain ongoing momentum. A number of initiatives have been successfully rolled out and others are in train. Particular attention has been afforded to the technology element, with plans to roll out a commercial and project delivery systems in 2022. Our people remain the most important focus, whereby TSL have embarked on several initiatives to better equip and support our colleagues across our business. One example includes our 'Mental Toughness Programme', executed by an internationally renowned mental toughness expert.

**Health, Safety and Environmental Considerations**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

We have continued to invest heavily in our training and safety awareness for all our teams. Safety remains at the heart of our business and we pride ourselves in ensuring that we provide a safe working environment for our own teams as well as our subcontract partners and clients to work in. TSL have recently invested in the updating the design of two Apps (SQR & Inspect) focussed on instant reporting of Safety and Quality issues throughout the business. These are now live and in use on all projects.

We continue to implement our waste management programmes and recycling initiatives both at our own offices and at all our construction sites .

Year End	Annual Accident Frequency Rate (AFR)		
	Total Hours Worked	AFR /Injuries	AFR RIDDOR /LTI's
June 2012	351,178	3.99	0.00
June 2013	484,745	3.71	0.21
June 2014	501,412	2.98	0.00
June 2015	726,604	2.20	0.00
June 2016	859,739	1.40	0.00
June 2017	1,100,740	1.27	0.00
June 2018	1,018,427	1.08	0.00
June 2019	1,759,205	1.02	0.00
December 2020	3,297,717	0.87	0.00
December 2021	3,775,335	0.82	0.50

**Streamlined Energy and Carbon Reporting (SECR)**

	This period (12M to Dec 2021)	Prior Period (12M to Dec 2020)
Total electricity use	231,999 kWh	216,925 kWh
Total gas use	11,225 kWh	8,376 kWh
Total transport fuel	1,861,509 kWh	1,483,107 kWh
Total energy from other fuels	0 kWh	0 kWh
Total energy use (all sources)	2,104,733 kWh	1,708,408 kWh
Total carbon emissions (electricity)	68 tCO <sub>2</sub> e	51 tCO <sub>2</sub> e
Total carbon emissions (gas)	2 tCO <sub>2</sub> e	2 tCO <sub>2</sub> e
Total carbon emissions (transport fuel)	592 tCO <sub>2</sub> e	389 tCO <sub>2</sub> e
Total carbon emissions (other sources)	0 tCO <sub>2</sub> e	0 tCO <sub>2</sub> e
Total carbon emissions	662 tCO <sub>2</sub> e	442 tCO <sub>2</sub> e
Total estate	19,154 sqft	19,154 sqft
Carbon intensity ratio	34.56 kgCO <sub>2</sub> e per sqft	23.00 Kg CO <sub>2</sub> e per sqft

**Energy efficiency actions:**

We are committed to responsible energy management and will practise energy efficiency throughout our organisation, wherever it's cost effective. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We have implemented the policies below for the purpose of increasing the businesses energy efficiency in the relevant financial year.

- Moved to remote home/hybrid working due to Covid. We will review when the situation permits.
- Implemented and encouraged the use of video conferencing.
- Reduced travel due to Covid.
- Encouraged the selection of Hybrid and or electric vehicles.

**Methodology used in the calculation of disclosures:**

SECR methodology as specified in "Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting and greenhouse gas reporting" used in conjunction with Government GHG reporting conversion factors. The intensity ratios were calculated using square footage. The calculations have been approved by a PAS51215 compliant body. No data estimation was used.

**HSQE Highlights**

- TSL designed and introduced new remote TSL Induction App in response to Covid 19
- We reduced the Accident Frequency Rate for the 10th year in succession even though worked person hours significantly increased.
- TSL were awarded ROSPA Gold Medal Award for the 8th successive year for the Management of Occupational Health and Safety.
- We retained our SafeContractor SSIP and AVETTA Accreditation.
- We achieved Ecovadis Accreditation for Safety & Sustainability

**Project HSQE Management Tools**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

- Utilising the Remote induction App
- Robust Revised Permit to Work System operated on all projects, including new LOTO permit and Permit Training in-house.
- Daily safety and co-ordination meetings with all subcontractor Supervisors/Managers.
- Weekly Project Manager Site Safety Inspections using the TSL Inspect App.
- Increased our H&S Team to support our growth plans.
- Full time site based HSQE Team members on all projects.
- Weekly Task Specific Toolbox Talks.
- Take 5 Point of Work Risk Assessments operated on all projects.

**Continuous Improvement**

TSL has operated a continuous improvement programme for many years which is driven by the shared experiences of our team, our supply chain partners and our clients. The focus of our team is on being the best and delivering excellence in everything we do. Each year we launch a number of initiatives with this year's focus being on people and how they operate within the workplace. This initiative covered all aspects of how our people interact from Health & Safety through to working in teams and coping with mental health challenges which has been acutely highlighted through the pandemic. As TSL grows it is a critical part of our development plan to ensure everyone in our 'TSL Family' is safe and protected.

**TSL Academy**

In 2020, TSL launched the TSL Academy. This is a dedicated training team with the objective of rolling out structured and tailored vocational training for the entire team and our subcontract partners.

The Academy is at the centre of all the training and development of the team and focuses on Safety, Quality and our internal TSL systems of operation, along with delivering practical courses supported by the CITB and our network of trusted training collaborators.

From Accounts to Project Delivery, the Academy continues to facilitate career courses for our team, complete with training plans designed to help each team member with achieving their goals.

It is our ambition to offer apprenticeships through the Academy in due course and for this to be the beacon of construction excellence within the industry.

In 2021, the Academy was rebranded as the 'Work Safe Work Smart' Academy, to integrate with a company-wide wellness initiative of the same name.

During 2021, the Academy broadened its scope to our international subcontractors, designing multilingual induction videos and associated HSE trainings courses. These will be hosted from the bespoke Academy website, due to launch in 2022.

**Sustainability**

TSL is totally committed to constructing sustainable buildings and to working with our clients to embrace initiatives which reduce the impact of construction on our planet. This year has seen us complete our first net zero carbon building and as attention continues to focus on climate change, we are confident it will be the first of many such projects.

TSL intend to adapt and be a frontrunner in terms of our sustainable goals and our environmental objectives.

**BREEAM**

TSL has significant experience in the construction of sustainable buildings, materials and the methods used. This year our teams have delivered a number of 'Excellent' and 'Very Good' schemes with our Project Teams adding significant value to the early design process, ensuring the BREEAM rating achievement is effectively managed and communicated through the supply chain to ensure compliance. Along with the assessors, our teams provide hands-on guidance through to project completion and are proud of the support we have offered to our clients on delivering their corporate social responsibility targets.

**Review of Business**

Despite the lingering market pressures brought about by Covid and Brexit, TSL's standing as a leader in the logistics sector was undisputedly upheld in 2021. TSL delivered 23 major logistics projects which accounted for 68% of our annual turnover. TSL continued to deliver on our proven points of difference with safety, speed and quality of delivery, as always, being our primary focus. This year, we have continued to strengthen our working partnership with all our longstanding clients with 89% of our business being from those relationships.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

TSL and our fast-track delivery teams have managed to offer unwavering support to our key clients' logistics networks through the difficult market conditions. We have maintained our market leading speed of delivery, through strong communication and integration with our trusted supply chain partners.

TSL move towards the successful completion of our first data centre project in Brent Cross, London. This challenging project has earned us the skills and knowledge to deliver large-scale data centre projects and cemented our strategic step to become a lead-player in this market. In line with our business plan we have now secured further projects for delivery in 2022 and beyond.

TSL continues to dominate the food sector and 2021 saw the successful completion of one of the largest food manufacturing facility's to be constructed in the UK. TSL successfully completed the construction of this 456,000 sqft facility in Peterborough for McCormick Foods. This new build project included all external works and site infrastructure and allowed the client to commence launch as per their intended timetable.

TSL are continuing to deliver our growth plan with over two-thirds of the coming year's forecasted turnover already secured in the first quarter of 2022. To support the forecast growth of the business, we have continued to invest heavily in our infrastructure and strengthen our management team. This year, TSL introduced further strategic structure into the business. The delivery teams have been segregated into workstreams. This has allowed experience and learning to be embedded from the outset of each project, making delivery more efficient and enhancing our ability to plan and react appropriately in the various sectors of the market we operate in.

The board of senior directors continue to work together and ensure strong and sustainable trajectory for the international and UK operations of the business. The business is well established in our headquarters at Chalfont Park House in Gerrards Cross. This prime location within the M25 continues to draw-in strong and capable employees across all disciplines. We continue to operate from our regional premises in Newcastle and Lymm and have added significant strength to the teams in the North of the UK, to allow us to manage the major projects we are undertaking in these regions.

**TSL International Operation**

TSL has continued to develop our overseas presence in line with our 5-year business plan.

TSL GmbH has continued to deliver project in 2021 and has secured an impressive order book of projects in the logistics and data centre sectors. We continue to grow our team working out of our head office in Wurzburg and our office in Frankfurt.

TSL's Irish business has seen impressive growth over 2021 and we have secured significant work in 2022. Our Dublin office now has a varied and established team across the disciplines required to translate our tried and tested methodology of delivering class-leading projects.

TSL continue to maintain a strong presence in the USA. The team in our permanent headquarters in Sacramento has grown proportionally with our increasing turnover. 2021 saw the successful completion of two flagship projects for Amazon Logistics and enabled us to strengthen our ties with this key client. 2021 also saw the commencement of a large-scale food manufacturing facility in the Bay Area of California. This project is on track for successful completion in quarter three of 2022.

We will continue to build upon our successes in the construction of logistics and supply chain support facilities and focus on building and maintaining strategic alliances with our key clients in this sector. Our presence alongside these key clients, not only in the UK but in the US and Europe also, should pave a strong path for TSL's continued and sustainable growth.

We intend to remain focused on our domination of the food construction market and remain driven to explore new and exciting opportunities in the pharmaceutical, data centre and hi-tech markets.

**Key Performance Indicators**

The company's key performance indicators are as follows (prior period pro-rata to a 12 month period):

Pre-tax profit - This has increased by 61%.

Turnover growth - An increase of 136% which is in keeping with our business forecasts.

Pipeline orders - Strong pipeline of confirmed business for 2022.

**TSL Projects Team**

TSL is a truly unique business with a rare and special 'can do' culture dedicated to delivering amazing projects. We are proud of the people who have helped to shape TSL, many of whom have been with us from the start. Through their dedication and commitment, they continue to work with our supply chain partners to deliver beyond expectations.

We place a great deal of emphasis on looking after our people who are the 'heart' of the TSL family and as a result have exceptional levels of team retention.

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

We remain focused on recruitment and are constantly strengthening our operational teams for our major projects and to support our move into the data centre sector, to ensure all aspects of health, safety, environmental, together with project and commercial management are sufficiently resourced, as we continue to evolve.

It continues to be our ethos to always promote from within and we have had several key appointments over the year which has strengthened the Senior Management Team and our Operational Board of Directors

Moving forward, as well as continuing to strengthen the UK teams, we are also focusing on developing a dedicated and multi-lingual management team to build on our successes in Europe. As part of the TSL Academy, we have introduced language and cultural training for team members to assist in their integration with their European project teams both internally and externally.

**Clients' Continued Support**

TSL take pride in the relationships we have built with our clients over the years, with much of our business being driven from those ongoing relationships. Our clients have confidence in our ability to deliver in the sectors we operate in and we are seeing a significant level of our work now being negotiated.

We would like to take the opportunity to thank our clients for their continued support and commit to always offering a service above and beyond expectations.

**Specialist Subcontract Partners**

We have continued to develop our strategy of working even closer with selected specialist subcontractors who bring an added dimension of knowledge and skills to our business. We continue to strengthen our supply chain to cope with our growth strategy in the UK, USA and Europe. We would like to thank them for their support and look forward to sustained growth in the future.

As the company's growth continues, we constantly monitor the performance of our supply chain to ensure that we are managing the level of work we award individual companies and aligning this with their capabilities. This ensures that we remain loyal to our ongoing partners and facilitate the larger projects that we are undertaking.

Our focus for the year ahead is to continue supporting our partners to raise the standards of health, safety and quality. We will continue our programme of briefing sessions with our partners and quality audits to ensure that our high standards are maintained.

**Future Outlook**

To date the business has secured a number of large-scale high-profile projects which will ensure a strong performance for the coming financial year. We also have a significant pipeline of projects moving forward into 2022 which gives us confidence to stride forward with our plans for investment in our infrastructure and expansion plans. We will continue to develop our US business and focus on growth in Europe on the back of our continued successful portfolio of projects in Germany.

We maintain our policy of not 'buying turnover' and only take projects at costs which enable us to operate to our core principles of openness and honesty to our clients. This policy can sometimes make it more difficult to win work with new clients as we may not always be the lowest at tender and in tough economic times new clients are more inclined to take the lowest bid even if it's below cost. Our strong level of repeat business, however, has proven to us that this is the best policy for maintaining our long-term future and we do not deviate.

We are confident that our model for delivering projects collaboratively and pragmatically will continue to set us aside from our competitors through offering a greater level of cost certainty as well as market-leading delivery programmes and quality assurance.

TSL continue to work with our key clients to manage and mitigate the risks driven by the current severe and unprecedented market pressures.

2022 will see us further pursue the large-scale logistics and take our proven delivery formula into new regions and new innovations in the construction supply-chain hubs. We will continue to maintain our position as number one within the food sector. We will continue to build upon our initial success of our first data centre project with diversification into this sector being at the forefront of the strategic plan for 2022.

Our aim in 2022 and beyond is to invest in technology and intelligent systems to allow our team to greater visibility and control over our administration and reporting of the fast-paced and large-scale projects we are undertaking. Our move into next year and beyond will see the implementation of two market leading construction specialist software packages with a view to streamlining and sharpening all 'back-of-house' operations.

**Principal Risks and Uncertainties**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The management of the business and the execution of the company's strategy are subject to a number of risks. The key business risk and uncertainty relates to client confidence in the post Brexit and post Covid-19 economy. The market has further been affected by the Ukraine conflict causing severe pressures not only on the price of materials but on the availability of construction products in the market. This is difficult to predict and control, therefore we remain in constant dialogue with our clients to ensure we are as realistic as possible with projections and quick to respond to changes in the scope and nature of our work.

The company's exposure to credit risk, price risk and liquidity risk are managed as follows:

**Credit Risk**

The company undertakes appropriate credit agency checks on new customers and major suppliers before engaging in a trading relationship.

**Price Risk**

The company manages the risk of major supply price change by agreeing fixed pricing ahead of a contract commencing.

**Liquidity Risk**

The company maintains a mix of short and long-term finance to ensure the company has sufficient funds available to meet obligations as they fall due

**Summary**

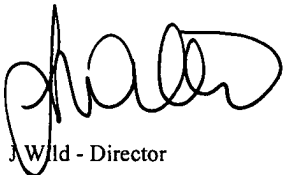
Given the impact from Covid and Brexit and the challenges faced by the currently unpredictable UK construction market, we have delivered a satisfactory performance for 2021. Delivery of outstanding projects has resulted in us achieving all our goals in terms of turnover and gross and we are in line with our adjusted target for net profit. More importantly we have continued to build on our reputation with our clients whilst strengthening our team to facilitate our future growth plans.

We have taken steps to move into new and exciting sectors that lend themselves to the core skill set of the team. Notwithstanding this, we continue to recruit technical teams to enable the delivery of turn-key projects that stand up to the safety, speed, quality and budget control that has become synonymous with TSL amongst our repeat clients.

We will continue to focus on the reduction of our impact on the planet through the initiatives such as net zero carbon construction.

With our newly established workstream specific delivery teams - we look forward to delivering a stronger performance in 2022, as we continue to ascend through this pivotal step-change in TSL's path to success. We will continue to develop and hone our already proven delivery strategy to making ourselves the only solution to delivering challenging projects in our chosen sectors.

**ON BEHALF OF THE BOARD:**



J Wild - Director

19 May 2022

**TSL LIMITED (REGISTERED NUMBER: 04492402)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their directors report and audited financial statements for the year ended 31 December 2021

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of construction and project management.

**DIVIDENDS**

The total distribution of dividends for the period ended 31 December 2021 was £2,510,000.

**FUTURE DEVELOPMENTS**

Details relating to future developments are set out in the Strategic Report.

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

M A McDonnell  
J Wild

Other changes in directors holding office are as follows:

E Porter - appointed 4 January 2021  
G Brookes - appointed 4 January 2021

**FINANCIAL INSTRUMENTS**

Details relating to financial instruments are set out in the Strategic Report.

**STREAMLINED ENERGY AND CARBON REPORTING**

Information in respect of SECR is made within the Strategic Report.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors, the Strategic 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), 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

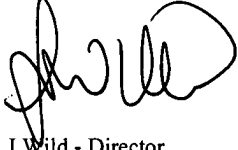
**TSL LIMITED (REGISTERED NUMBER: 04492402)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**AUDITORS**

The auditors, Cube Partners Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

A handwritten signature in black ink, appearing to be 'J Wild', written in a cursive style.

J Wild - Director

19 May 2022

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TSL LIMITED**

### **Opinion**

We have audited the financial statements of TSL Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income including Profit & Loss, 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 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.

### **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.

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF TSL LIMITED**

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities set out on page eight, 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 considered the central laws and regulations to the entity and identified those of being of significance to the entity. The significant laws and regulations include health and safety and environmental protection due to the activity of the company being construction. We undertook an enquiry of management and those charged with governance to evaluate those of significance and any instances of non-compliance.

Through discussion, and where appropriate, written representation, we obtained an understanding of the entity's policies and procedures on fraud risks, including knowledge of any actual, suspected or alleged fraud.

Where necessary documentation scrutiny was used to determine the significance of any instances of non-compliance of central laws and regulations.

We communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Report of the Auditors.

### **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.



Steven Jones ACA (Senior Statutory Auditor)  
for and on behalf of Cube Partners Limited, Statutory Auditor  
5 Giffard Court  
Millbrook Close  
Northampton  
NN5 5JF

19 May 2022

**TSL LIMITED (REGISTERED NUMBER: 04492402)****STATEMENT OF COMPREHENSIVE INCOME INCLUDING PROFIT & LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
<b>TURNOVER</b>	5	548,038	348,223
Cost of sales		<u>531,084</u>	<u>330,718</u>
<b>GROSS PROFIT</b>		16,954	17,505
Administrative expenses		<u>8,270</u>	<u>8,195</u>
		8,684	9,310
Other operating income	6	<u>1,368</u>	<u>17</u>
<b>OPERATING PROFIT</b>	8	10,052	9,327
Interest receivable and similar income	9	<u>15</u>	<u>60</u>
		10,067	9,387
Interest payable and similar expenses	10	<u>33</u>	<u>45</u>
<b>PROFIT BEFORE TAXATION</b>		10,034	9,342
Tax on profit	11	<u>1,699</u>	<u>1,655</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		8,335	7,687
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>8,335</u>	<u>7,687</u>

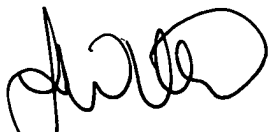
The notes form part of these financial statements

**TSL LIMITED (REGISTERED NUMBER: 04492402)**

**BALANCE SHEET  
31 DECEMBER 2021**

	Notes	2021 £'000	£'000	2020 £'000	£'000
<b>FIXED ASSETS</b>					
Tangible assets	13		2,190		1,544
<b>CURRENT ASSETS</b>					
Debtors	14	102,563		53,164	
Cash at bank and in hand		36,950		42,965	
		<u>139,513</u>		<u>96,129</u>	
<b>CREDITORS</b>					
Amounts falling due within one year	15	123,921		85,829	
<b>NET CURRENT ASSETS</b>			<u>15,592</u>		<u>10,300</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>17,782</u>		<u>11,844</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	16		(267)		(273)
<b>PROVISIONS FOR LIABILITIES</b>	19		(260)		(141)
<b>NET ASSETS</b>			<u>17,255</u>		<u>11,430</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	20		1		1
Retained earnings			17,254		11,429
<b>SHAREHOLDERS' FUNDS</b>			<u>17,255</u>		<u>11,430</u>

The financial statements were approved by the Board of Directors and authorised for issue on 19 May 2022 and were signed on its behalf by:



J Wild - Director

TSL LIMITED (REGISTERED NUMBER: 04492402)

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
<b>Balance at 1 July 2019</b>	1	6,592	6,593
<b>Changes in equity</b>			
Profit for the period	-	7,687	7,687
Total comprehensive income	-	7,687	7,687
Dividends	-	(2,850)	(2,850)
<b>Balance at 31 December 2020</b>	1	11,429	11,430
<b>Changes in equity</b>			
Profit for the year	-	8,335	8,335
Total comprehensive income	-	8,335	8,335
Dividends	-	(2,510)	(2,510)
<b>Balance at 31 December 2021</b>	1	17,254	17,255

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**1. ACCOUNTING PERIOD**

These financial statements have been prepared for the 12 month period to the 31 December 2021. The comparative amounts presented in these financial statements and the related notes are for the 18 month period to 31 December 2020.

**2. STATUTORY INFORMATION**

TSL 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.

**3. 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.

The functional and presentational currency of the financial statements is Pound Sterling (£).

**Financial Reporting Standard 102 - reduced disclosure exemptions**

The company has taken advantage of the following disclosure exemptions 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;
- the requirement of paragraph 33.7.

This company meets the definition of a qualifying entity per FRS102 and has taken advantage of the exemption available in paragraph 1.12 of FRS102 from presenting a statement of cash flows. The financial statements of this company are included in the consolidated financial statements of the group headed by Tonroe Group limited, which can be obtained from the address given in Ultimate Controlling Party note.

**Turnover**

Turnover represents works performed by the Company (excluding value added tax) in respect of goods and services provided in the ordinary course of business. Turnover is recognised once recoverability is deemed reasonably certain. It includes sales of all invoiced contracts together with the value of work certified on contracts in progress. Retentions, claims and damages are credited to turnover when released by the customer.

The amount of profit attributable to the stage of completion of a long-term contract is recognised when the outcome of the contract can be foreseen with reasonable certainty. Turnover for such contracts is stated at the cost appropriate to their stage of completion plus attributable profits, less amounts recognised in previous periods, which can include the application of judgement. Provision is made for any losses as soon as they are foreseen.

Retentions from contract sums are only recognised once the Company is certain the contractual obligations of the contract have been fulfilled. Retentions withheld from contract sums are assessed on a contract by contract basis and credited or charged to the profit and loss account when released.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Improvements to property	- 5% on cost
Plant and machinery	- 25% on reducing balance
Fixtures and fittings	- 33% on cost
Motor vehicles	- 25% on reducing balance
Office equipment	- 33% on cost

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES - continued**

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income including Profit & Loss, 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 taxation**

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**

Monetary 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.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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.

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. ACCOUNTING POLICIES - continued**

**Financial instruments**

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, other third party loans and loans with related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an assets carrying amount and the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less.

Trade and Other Debtors

Trade and other debtors including amounts owed to group companies are recognised initially at transaction price (including transaction costs) unless a financing arrangement exists in which case they are measured at the present value of future receipts discounted at a market rate. Subsequently these are measured at amortised cost less any provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. All movements in the level of provision required are recognised in the profit and loss.

Trade and Other Creditors

Trade and other creditors are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the accounting policies, management have been required to make judgements, estimates and assumptions. These estimates which relate to the carrying values of assets, liabilities and long term contracts (as detailed in Accounting Policies above), where not readily available from other sources are based on underlying assumptions and experience. Actual results may differ from these estimates. The estimates and assumptions are viewed on an on-going basis.

Recognition of revenue and contract profit is considered a critical accounting judgement. It is based on informed judgements made in respect of the ultimate profitability of a contract. Such judgements are arrived at through the use of estimates in relation to the costs and value of work performed to date and to be performed in bringing contracts to completion. These estimates are made by reference to surveys of progress against the construction programme, changes in work scope, the contractual terms under which the work is being performed, and the likely outcome of discussions on claims, costs incurred and external certification of the work performed. Management continually reviews the estimated final profit on contracts and makes adjustments where necessary. The company has appropriate internal control procedures over the determination of each of the above variables to ensure that profit take as at the balance sheet date and the extent of future costs to contract completion are reasonably and consistently determined and subject to appropriate review and authorisation.

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

5. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
United Kingdom	543,538	339,822
Europe	4,119	8,401
Rest of the World	381	-
	<u>548,038</u>	<u>348,223</u>

The turnover is attributable to the sales of all invoiced construction contracts together with the value of work certified on contracts in progress.

6. OTHER OPERATING INCOME

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Sundry receipts	1,368	17
	<u>1,368</u>	<u>17</u>

7. EMPLOYEES AND DIRECTORS

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Wages and salaries	14,745	14,175
Social security costs	1,817	1,749
Other pension costs	733	843
	<u>17,295</u>	<u>16,767</u>

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

	Year Ended 31.12.21	Period 1.7.19 to 31.12.20
Construction operatives	169	118
Administration	27	19
Directors	4	2
	<u>200</u>	<u>139</u>

	Year Ended 31.12.21 £	Period 1.7.19 to 31.12.20 £
Directors' remuneration	<u>423,883</u>	<u>26,130</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 7. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director for the year ended 31 December 2021 is as follows:

	Year Ended 31.12.21 £
Emoluments etc	<u>223,618</u>

## 8. OPERATING PROFIT

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

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Hire of plant and machinery	5,334	2,430
Other operating leases	372	559
Depreciation - owned assets	290	301
Depreciation - assets on hire purchase contracts	274	339
(Profit)/loss on disposal of fixed assets	(5)	2
Auditors' remuneration	25	23
Foreign exchange differences	353	313
Non audit services - Statutory financial statements	6	6
Non audit services - Taxation compliance	1	1
Non audit services - Payroll services	26	25
Non audit services - Advisory, consultancy and other services	<u>102</u>	<u>169</u>

Included within auditors remuneration is £5,000 in respect of the audit of fellow group companies.

## 9. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Deposit account interest	4	36
Interest on tax refund	11	1
Interest on beneficial loans	-	23
	<u>15</u>	<u>60</u>

## 10. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Other interest and charges	8	5
Hire purchase	25	40
	<u>33</u>	<u>45</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 11. TAXATION

**Analysis of the tax charge**

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

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Current tax:		
UK corporation tax	1,780	1,901
Tax (over)/under provision in previous periods	(200)	(304)
Total current tax	<u>1,580</u>	<u>1,597</u>
Deferred tax	119	58
Tax on profit	<u><u>1,699</u></u>	<u><u>1,655</u></u>

**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:

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Profit before tax	<u>10,034</u>	<u>9,342</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,906	1,775
Effects of:		
Expenses not deductible for tax purposes	19	185
Capital allowances in excess of depreciation deductible for tax purposes	(145)	(58)
Deferred tax	119	58
Research and Development Allowance	<u>(200)</u>	<u>(305)</u>
Total tax charge	<u><u>1,699</u></u>	<u><u>1,655</u></u>

## 12. DIVIDENDS

	Year Ended 31.12.21 £'000	Period 1.7.19 to 31.12.20 £'000
Interim	<u><u>2,510</u></u>	<u><u>2,850</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 13. TANGIBLE FIXED ASSETS

	Improvements to property £'000	Plant and machinery £'000	Fixtures and fittings £'000
<b>COST</b>			
At 1 January 2021	37	298	72
Additions	-	40	43
Disposals	-	-	-
Reclassification/transfer	-	-	97
At 31 December 2021	<u>37</u>	<u>338</u>	<u>212</u>
<b>DEPRECIATION</b>			
At 1 January 2021	-	215	35
Charge for year	-	22	25
Eliminated on disposal	-	-	-
Reclassification/transfer	-	-	83
At 31 December 2021	<u>-</u>	<u>237</u>	<u>143</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>37</u>	<u>101</u>	<u>69</u>
At 31 December 2020	<u>37</u>	<u>83</u>	<u>37</u>
	Motor vehicles £'000	Office equipment £'000	Totals £'000
<b>COST</b>			
At 1 January 2021	2,238	185	2,830
Additions	1,391	-	1,474
Disposals	(577)	-	(577)
Reclassification/transfer	-	(98)	(1)
At 31 December 2021	<u>3,052</u>	<u>87</u>	<u>3,726</u>
<b>DEPRECIATION</b>			
At 1 January 2021	883	153	1,286
Charge for year	517	-	564
Eliminated on disposal	(315)	-	(315)
Reclassification/transfer	-	(82)	1
At 31 December 2021	<u>1,085</u>	<u>71</u>	<u>1,536</u>
<b>NET BOOK VALUE</b>			
At 31 December 2021	<u>1,967</u>	<u>16</u>	<u>2,190</u>
At 31 December 2020	<u>1,355</u>	<u>32</u>	<u>1,544</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

## 13. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

		Motor vehicles £'000
<b>COST</b>		
At 1 January 2021		1,243
Additions		169
Disposals		(205)
Transfer to ownership		(76)
		<u>1,131</u>
At 31 December 2021		<u>1,131</u>
<b>DEPRECIATION</b>		
At 1 January 2021		693
Charge for year		274
Eliminated on disposal		(115)
Transfer to ownership		(417)
		<u>435</u>
At 31 December 2021		<u>435</u>
<b>NET BOOK VALUE</b>		
At 31 December 2021		<u>696</u>
At 31 December 2020		<u>550</u>
<b>14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	2021	2020
	£'000	£'000
Trade debtors	60,805	31,883
Amounts owed by group undertakings	1,938	1,378
Long term contracts	16,231	11,602
Other debtors	23,009	7,505
Directors' current accounts	124	-
Corporation tax recoverable	91	-
Prepayments	365	796
	<u>102,563</u>	<u>53,164</u>
<b>15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
	2021	2020
	£'000	£'000
Hire purchase contracts (see note 17)	328	351
Trade creditors	58,479	41,432
Corporation tax	-	977
Social security and other taxes	1,295	795
VAT	11,641	5,379
Other creditors	128	120
Directors' current accounts	-	29
Accrued expenses	52,050	36,746
	<u>123,921</u>	<u>85,829</u>
<b>16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>		
	2021	2020
	£'000	£'000
Hire purchase contracts (see note 17)	<u>267</u>	<u>273</u>

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

17. LEASING AGREEMENTS

Minimum lease payments under hire purchase fall due as follows:

	2021 £'000	2020 £'000
Net obligations repayable:		
Within one year	328	351
Between one and five years	267	273
	<u>595</u>	<u>624</u>

18. SECURED DEBTS

The following secured debts are included within creditors:

	2021 £'000	2020 £'000
Hire purchase contracts	<u>595</u>	<u>624</u>

Amounts due under hire purchase contracts are secured on the assets to which they relate.

The company's bank holds a multilateral guarantee between the group companies and a related company. This includes a cross guarantee between the company and its parent company, which covers the parent company mortgage. The company's bank holds fixed and floating charges over present and future assets and undertakings.

19. PROVISIONS FOR LIABILITIES

	2021 £'000	2020 £'000
Deferred tax	<u>260</u>	<u>141</u>
		Deferred tax
		£'000
Balance at 1 January 2021		141
Accelerated capital allowances		<u>119</u>
Balance at 31 December 2021		<u>260</u>

20. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2021	2020
Number:	Class:	Nominal value:	£	£
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

21. ULTIMATE PARENT COMPANY

The company is a wholly owned subsidiary of Tonroe Group Limited, the immediate and ultimate parent company controlled by the directors.

Consolidated financial statements are prepared by Tonroe Group Limited and can be obtained from:  
Chalfont Park House  
Chalfont Park  
Gerrards Cross  
Buckinghamshire  
SL9 0DZ

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2021

22. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the year ended 31 December 2021 and the period ended 31 December 2020:

	2021 £'000	2020 £'000
<b>M A McDonnell</b>		
Balance outstanding at start of year	(15)	589
Amounts advanced	76	1,321
Amounts repaid	-	(1,925)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>62</u>	<u>(15)</u>
<b>J Wild</b>		
Balance outstanding at start of year	(15)	664
Amounts advanced	76	1,247
Amounts repaid	-	(1,925)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>62</u>	<u>(15)</u>

The maximum aggregate debit balance during the year was £123,718

Interest has been charged at the HM Revenue & Customs approved rates on debit balances and there are no fixed terms of repayment.

23. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under paragraph 33.1A of the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose transactions with entities held 100% within the group.

During the period ended 31 December 2021 the company traded with connected companies. The total purchases in the period amounted to £20,096,435 (2020 - £419,623), and the total sales in the period amounted to £5,709,565 (2020 - £94,470).

As at the 31 December 2021, the company was owed £24,057,061 (2020 - £7,772,566) from connected companies. As at the 31 December 2021, the company owed £1,661,785 (2020 - £2,118,324) to connected companies. There are no formal terms of repayment or interest associated with these balances.

24. ULTIMATE CONTROLLING PARTY

The ultimate controlling party for this and the preceding year is deemed to be jointly the director's M A McDonnell and J Wild by virtue of their holding of the entire share capital of the parent company.