


Beacon Communication Services Ltd

**Annual Report and Financial Statements
Year Ended 30 April 2023**

Registration number: 04186486

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Beacon Communication Services Ltd

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Beacon Communication Services Ltd

Company Information

Director M S Manton

Company secretary C Manton

Registered office Unit E3
Pitts Cleave Industrial Estate
Tavistock
Devon
PL19 OPW

Auditors PKF Francis Clark
Unit 18, 23 Melville Building East
Royal William Yard
Plymouth
Devon
PL1 3GW

Beacon Communication Services Ltd

Strategic Report for the Year Ended 30 April 2023

The director presents his strategic report for the year ended 30 April 2023.

Principal activity

The principal activity of the company is the design, supply, installation, and maintenance of telecommunications infrastructure for mobile telecommunication providers and utility companies.

Fair review of the business

Whilst the telecommunications market remains in a transitional phase, this year as anticipated, the sector has benefited from the significant change in 5G roll out, as operators have been required to focus on the vendor equipment changes required by Government legislation. This combined with the newly appointed vendors having now successfully incorporated their products into the supply chain, has delivered opportunities which Beacon has been able to capitalise upon.

The Beacon Group has delivered good returns and has once again demonstrated the resilience of its business model by reacting decisively in a rapidly changing market and optimising performance wherever possible.

The overall strong performance for 2022/23 has been driven by Beacon's ability to act swiftly in a changing marketplace with the backing of our investments over a number of years in machinery, systems and our people. Continued proactive investment into our business systems will remain our focus going into 2023/24, which combined with our ongoing strategy to diversify our work will give Beacon the benefit of a steadier growth pattern for future years and the ability to continue to react swiftly to market forces.

Principal risks and uncertainties

The principal risk facing the group is the loss of major contracts or customers. The group mitigates this risk by maintaining good relationships with all key customers and ensures as much diversity in work streams as possible.

Approved by the Board on ~~29/01/2024~~ and signed on its behalf by:



M S Manton
Director

Beacon Communication Services Ltd

Director's Report for the Year Ended 30 April 2023

The director presents his report and the financial statements for the year ended 30 April 2023.

Director of the company

The director who held office during the year was as follows:

M S Manton

Future developments

Regeneration, diversification and expansion within the telecoms sector remain the cornerstone strategies for the business, supported by our continued focus on leading the market with our cutting-edge innovation. Our strategy continues to plan for growth within the telecommunications infrastructure arena which the company will continue to exploit whilst retaining profit.

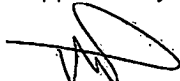
Research and development

The holistic approach that Beacon uses to propagate the market leading position that the group has occupied for a number of years, continues to be driven by an ongoing commitment to its research and development software department.

Disclosure of information to the auditors

The director has taken 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. The director confirms that there is no relevant information that he knows of and of which he knows the auditors are unaware.

Approved by the Board on 29/01/2024 and signed on its behalf by:



M S Manton
Director

Beacon Communication Services Ltd

Statement of Director's Responsibilities

The director acknowledges his responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Beacon Communication Services Ltd

Independent Auditor's Report to the Members of Beacon Communication Services Ltd

Opinion

We have audited the financial statements of Beacon Communication Services Ltd (the 'company') for the year ended 30 April 2023, which comprise the Profit and Loss Account, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2023 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 auditor 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 director's 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 original financial statements were 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 director are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Beacon Communication Services Ltd

Independent Auditor's Report to the Members of Beacon Communication Services Ltd

Opinion on other matter 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 Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Director's Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our 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 and the Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the director

As explained more fully in the Statement of Director's Responsibilities set out on page 4, the director is 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 director determines is 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 director is 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 director either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor 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 auditor's 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:

Beacon Communication Services Ltd

Independent Auditor's Report to the Members of Beacon Communication Services Ltd

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to acts by the company which were contrary to applicable laws and regulations, including fraud.

We considered those laws and regulations that have a direct impact on the preparation of the financial statements, including, but not limited to the reporting framework (FRS 102 and Companies Act 2006) and the relevant tax compliance regulations in the UK. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent financial reporting.

Audit procedures performed by the engagement team include, but were not limited to, discussion and inquiries with management of compliance with laws and regulations and review of correspondence and contracts with third parties. We also addressed the risk of management override of internal controls, including testing of 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. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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 auditor's 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.

PKF Francis Clark

.....
Duncan Leslie (Senior Statutory Auditor)
PKF Francis Clark, Statutory Auditor

Unit 18, 23 Melville Building East
Royal William Yard
Plymouth
Devon
PL1 3GW

Date: 30/01/2024

Beacon Communication Services Ltd

Profit and Loss Account

Year Ended 30 April 2023

	Note	2023 £	2022 £
Turnover	3	32,732,807	27,537,660
Cost of sales		<u>(21,526,634)</u>	<u>(21,363,003)</u>
Gross profit		11,206,173	6,174,657
Administrative expenses		<u>(3,209,595)</u>	<u>(2,768,766)</u>
Operating profit	4	<u>7,996,578</u>	<u>3,405,891</u>
Other interest receivable and similar income	8	2,164	111
Interest payable and similar expenses		<u>(13,168)</u>	<u>(4,245)</u>
		<u>(11,004)</u>	<u>(4,134)</u>
Profit before tax		7,985,574	3,401,757
Tax on profit	9	<u>(1,551,084)</u>	<u>(653,469)</u>
Profit for the financial year		<u><u>6,434,490</u></u>	<u><u>2,748,288</u></u>

The above results were derived from continuing operations.

The company has no recognised gains or losses for the year other than the results above.


Beacon Communication Services Ltd

Balance Sheet

30 April 2023

			(As restated)
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	11	2,199,140	2,229,573
Investment property	12	20,000	20,000
Other financial assets	13	<u>11,515,000</u>	<u>11,475,000</u>
		<u>13,734,140</u>	<u>13,724,573</u>
Current assets			
Stocks	14	586,007	849,996
Debtors	16	22,266,487	20,027,604
Cash at bank and in hand		<u>2,835,749</u>	<u>944,801</u>
		25,688,243	21,822,401
Creditors: Amounts falling due within one year	17	<u>(6,822,122)</u>	<u>(4,506,702)</u>
Net current assets		<u>18,866,121</u>	<u>17,315,699</u>
Total assets less current liabilities		32,600,261	31,040,272
Creditors: Amounts falling due after more than one year	17	(202,564)	(132,629)
Provisions for liabilities	18	<u>(232,490)</u>	<u>(176,926)</u>
Net assets		<u>32,165,207</u>	<u>30,730,717</u>
Capital and reserves			
Called up share capital		2	2
Profit and loss account		<u>32,165,205</u>	<u>30,730,715</u>
Shareholders' funds		<u>32,165,207</u>	<u>30,730,717</u>

Approved and authorised by the director on ~~29/01/2024~~



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M S Manton
Director

Company Registration Number: 04186486

Beacon Communication Services Ltd

Statement of Changes in Equity

Year Ended 30 April 2023

	Share capital £	Profit and loss account £	Total £
At 1 May 2022	<u>2</u>	<u>30,730,715</u>	<u>30,730,717</u>
Profit for the year	-	6,434,490	6,434,490
Dividends	-	<u>(5,000,000)</u>	<u>(5,000,000)</u>
At 30 April 2023	<u><u>2</u></u>	<u><u>32,165,205</u></u>	<u><u>32,165,207</u></u>

	Share capital £	Profit and loss account £	Total £
At 1 May 2021	<u>2</u>	<u>27,986,427</u>	<u>27,986,429</u>
Profit for the year	-	2,748,288	2,748,288
Dividends	-	<u>(4,000)</u>	<u>(4,000)</u>
At 30 April 2022	<u><u>2</u></u>	<u><u>30,730,715</u></u>	<u><u>30,730,717</u></u>

Beacon Communication Services Ltd

Statement of Cash Flows

Year Ended 30 April 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Profit for the year		6,434,490	2,748,288
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	4	364,117	342,693
Loss on disposal of tangible assets		198,947	9,835
Finance income	8	(2,164)	(111)
Finance costs		13,168	4,245
Corporation tax	9	1,551,084	653,469
		<u>8,559,642</u>	<u>3,758,419</u>
Working capital adjustments			
Decrease in stocks	14	263,989	8,719
Increase in debtors	16	(2,238,883)	(2,628,168)
Increase/(decrease) in creditors	17	1,814,430	(1,313,756)
		<u>8,399,178</u>	<u>(174,786)</u>
Cash generated from operations			
Corporation tax paid	9	(1,099,399)	(1,301,765)
Net cash flow from operating activities		<u>7,299,779</u>	<u>(1,476,551)</u>
Cash flows from investing activities			
Interest received		2,164	111
Acquisitions of tangible assets		(172,222)	(322,334)
Proceeds from sale of tangible assets		2,669	19,972
Purchase of investments		(40,000)	(200,000)
Net cash flows from investing activities		<u>(207,389)</u>	<u>(502,251)</u>
Cash flows from financing activities			
Interest paid		(13,168)	(4,245)
Payments to finance lease creditors		(188,274)	(150,577)
Dividends paid	21	(5,000,000)	(4,000)
Net cash flows from financing activities		<u>(5,201,442)</u>	<u>(158,822)</u>
Net increase/(decrease) in cash and cash equivalents		1,890,948	(2,137,624)
Cash and cash equivalents at 1 May		<u>944,801</u>	<u>3,082,425</u>
Cash and cash equivalents at 30 April	15	<u>2,835,749</u>	<u>944,801</u>

The notes on pages 12 to 27 form an integral part of these financial statements.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Unit E3
Pitts Cleave Industrial Estate
Tavistock
Devon
PL19 0PW

These financial statements were authorised for issue by the director on 29/01/2024

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. There are no material departures from FRS102.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

During the year the company made a profit before tax of £8.0m, which is an increase of £4.6m on the prior year profit before tax. Reserves have continued to increase to a significant £32.2m, an increase of £1.4m from the prior year. The company also holds cash reserves at year end of £2.8m and other financial assets valued at £11.5m.

The director therefore believes it is reasonable that the financial statements have been prepared on a going concern basis.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Prior period errors

Investments of £1,950,000 recognised in the company's figures in the prior year are considered most appropriately recognised as an amount owed by a related party in debtors. Comparatives have been restated accordingly with no impact on profit, net assets or the cash flows.

Judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in this note, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historically known factors and experience.

Valuation of accrued income:

The valuation of accrued income is based on the amount invoiced post year end, or where this has not occurred, the final account valuation submitted to the customer. This valuation method has a number of judgements applied to it and therefore has an element of uncertainty since the customer must agree the value before being invoiced. Management continually review the work completed and correspondence with the customer to ensure the amount accrued is accurate. The carrying amount is £3,149,013 (2022 -£3,274,796).

Other investments:

The other investments are sensitive to market demand and economic fluctuations. Other investments are valued annually at year end by an expert who assesses the fair value of those assets taking into consideration current demand and recent sale prices of similar assets. The carrying amount is £11,515,000 (2022 -£11,475,000).

Other estimates and underlying assumptions used by management such as depreciation rates are reviewed on an ongoing basis. Any revision deemed to be required to any accounting estimates would be recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. No such changes or amendments are deemed necessary in either this or the prior period.

Revenue recognition

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. It is measured at the fair value of the consideration due. Invoices are raised once the contract is complete. The value of un-invoiced work done at the year end is included in accrued income in the balance sheet.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current corporation tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profits.

Tangible assets

Tangible assets are stated in the Balance Sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is charged so as to write off the cost of an asset, less its estimated residual value, over its estimated useful lives as follows:

Asset class	Depreciation method and rate
Buildings	2% straight line
Furniture, fittings & equipment	12.5%, 20%, 50% straight line
Motor vehicles	25% reducing balance
Other property, plant & equipment	12.5%, 20%, 50% straight line

Investment property

Investment property is carried at fair value. Changes in fair value are recognised in the profit or loss. No depreciation is provided in respect of investment properties applying the fair value model.

Other investments

Other investments are initially recognised at cost and subsequently carried at fair value. Changes in fair value are recognised in the profit or loss. No depreciation is provided in respect of other investments applying the fair value model.

Goodwill

Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Goodwill	20% straight line

Stocks

Stock and work in progress are valued at the lower of cost and net realisable value, after due regards for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Cost includes all direct costs and an appropriate proportion of fixed variable overheads.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Financial Instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period, financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the assets expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Financial liabilities

Basic financial liabilities, including trade and other payables, loans from banks and other third parties and amounts due to fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

3 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

	2023 £	2022 £
Rendering of services	<u>32,732,807</u>	<u>27,537,660</u>

The analysis of the company's turnover for the year by market is as follows:

	2023 £	2022 £
UK	<u>32,732,807</u>	<u>27,537,660</u>

4 Operating profit

Arrived at after charging/(crediting)

	2023 £	2022 £
Depreciation expense	364,117	342,693
Loss on disposal of property, plant and equipment	198,947	9,835
Auditor's remuneration	<u>14,725</u>	<u>13,000</u>

5 Staff costs

The aggregate payroll costs (including director's remuneration) were as follows:

	2023 £	2022 £
Wages and salaries	8,701,144	7,862,778
Social security costs	912,530	824,964
Pension costs, defined contribution scheme	<u>330,035</u>	<u>309,543</u>
	<u>9,943,709</u>	<u>8,997,285</u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

The average number of persons employed by the company (including the director) during the year, analysed by category was as follows:

	2023 No.	2022 No.
Production	197	203
Administration and support	33	38
	<u>230</u>	<u>241</u>

6 Director's remuneration

The director's remuneration for the year was as follows:

	2023 £	2022 £
Remuneration	18,000	19,166
Contributions paid to money purchase schemes	900	958
	<u>18,900</u>	<u>20,124</u>

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2023 No.	2022 No.
Accruing benefits under money purchase pension scheme	<u>1</u>	<u>1</u>

7 Auditor's remuneration

	2023 £	2022 £
Audit of the financial statements	<u>14,725</u>	<u>13,000</u>

8 Other interest receivable and similar income

	2023 £	2022 £
Interest income on bank deposits	1,456	111
Other interest	708	-
	<u>2,164</u>	<u>111</u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

9 Taxation

Tax charged/(credited) in the profit and loss account

	2023 £	2022 £
Current taxation		
UK corporation tax	1,495,520	640,251
Deferred taxation		
Arising from origination and reversal of timing differences	<u>55,564</u>	<u>13,218</u>
Tax expense in the income statement	<u><u>1,551,084</u></u>	<u><u>653,469</u></u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 - higher than the standard rate of corporation tax in the UK) of 19.5% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit before tax	<u>7,985,574</u>	<u>3,401,757</u>
Corporation tax at standard rate	1,557,187	646,334
Effect of expense not deductible in determining taxable profit (tax loss)	46,810	11,864
Deferred tax expense relating to changes in tax rates or laws	11,081	42,462
Decrease from effect of tax incentives	(22,938)	(6,313)
Tax decrease from effect of adjustment in research and development tax credit	<u>(41,056)</u>	<u>(40,878)</u>
Total tax charge	<u><u>1,551,084</u></u>	<u><u>653,469</u></u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2023		
Difference between accumulated depreciation and capital allowances	-	239,644
Other timing difference	-	(7,154)
	<u>-</u>	<u>232,490</u>
	<u>-</u>	<u>232,490</u>
2022		
Difference between accumulated depreciation and capital allowances	-	183,793
Other timing difference	-	(6,867)
	<u>-</u>	<u>176,926</u>
	<u>-</u>	<u>176,926</u>

10 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 May 2022	<u>272,360</u>	<u>272,360</u>
At 30 April 2023	<u>272,360</u>	<u>272,360</u>
At 1 May 2022	<u>272,360</u>	<u>272,360</u>
At 30 April 2023	<u>272,360</u>	<u>272,360</u>
Carrying amount		
At 30 April 2023	<u>-</u>	<u>-</u>
At 30 April 2022	<u>-</u>	<u>-</u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

11 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other property, plant and equipment £	Total £
Cost or valuation					
At 1 May 2022	1,491,408	49,010	1,694,743	1,273,197	4,508,358
Additions	8,637	-	487,446	39,216	535,299
Disposals	<u>(260,218)</u>	-	<u>(8,850)</u>	-	<u>(269,068)</u>
At 30 April 2023	<u>1,239,827</u>	<u>49,010</u>	<u>2,173,339</u>	<u>1,312,413</u>	<u>4,774,589</u>
Depreciation					
At 1 May 2022	214,328	49,010	949,464	1,065,983	2,278,785
Charge for the year	29,828	-	247,292	86,997	364,117
Eliminated on disposal	<u>(60,397)</u>	-	<u>(7,056)</u>	-	<u>(67,453)</u>
At 30 April 2023	<u>183,759</u>	<u>49,010</u>	<u>1,189,700</u>	<u>1,152,980</u>	<u>2,575,449</u>
Carrying amount					
At 30 April 2023	<u>1,056,068</u>	-	<u>983,639</u>	<u>159,433</u>	<u>2,199,140</u>
At 30 April 2022	<u>1,277,080</u>	-	<u>745,279</u>	<u>207,214</u>	<u>2,229,573</u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

Included within the net book value of land and buildings above is £1,056,068 (2022 - £1,277,080) in respect of long leasehold land and buildings.

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2023 £	2022 £
Motor Vehicles	<u>571,400</u>	<u>429,310</u>

12 Investment properties

	2023 £
At 1 May and at 30 April	<u>20,000</u>

There has been no valuation of investment property by an independent valuer. The value shown in the accounts is based on a Director's valuation of the property.

13 Other investments

	Other investments £
Cost or valuation	
At 1 May 2022 (as restated)	11,475,000
Additions	<u>40,000</u>
At 30 April 2023	<u>11,515,000</u>
Carrying amount	
At 30 April 2023	<u>11,515,000</u>
At 30 April 2022 (as restated)	<u>11,475,000</u>

Other investments were acquired on the balance sheet date and are therefore held at cost to the company. The cost represents the fair value of those assets at that date, valued by independent valuers, who took into account the condition, specification and market demand for those assets.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

14 Stocks

	2023 £	2022 £
Work in progress	399,727	576,847
Other inventories	186,280	273,149
	<u>586,007</u>	<u>849,996</u>

15 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	500	700
Cash at bank	2,835,249	944,101
	<u>2,835,749</u>	<u>944,801</u>

16 Debtors

		2023 £	2022 £
			(As restated)
	Note		
Trade debtors		7,031,155	5,106,265
Amounts due from related parties	24	11,781,155	11,464,696
Other debtors		101,555	-
Prepayments		203,609	181,847
Accrued income		3,149,013	3,274,796
		<u>22,266,487</u>	<u>20,027,604</u>

Details of trade and other debtors

£100,000 (2022 -£Nil) of Other debtors is classified as non current.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

17 Creditors

	2023 £	2022 £
Due within one year		
Finance lease liability	259,173	154,305
Trade creditors	1,368,890	1,685,390
Corporation tax	597,173	198,782
Social security and other taxes	1,574,828	1,378,263
Outstanding defined contribution pension costs	53,204	51,023
Other creditors	660,989	572,935
Accrued expenses	21,306	142,560
Director's current account	<u>2,286,559</u>	<u>323,444</u>
	<u>6,822,122</u>	<u>4,506,702</u>
Due after one year		
Finance lease liability	<u>202,564</u>	<u>132,629</u>

Finance lease liabilities

Finance lease liabilities are secured against the assets to which they relate.

18 Provisions for liabilities

	Deferred tax £
At 1 May 2022	176,926
Increase (decrease) in existing provisions	<u>55,564</u>
At 30 April 2023	<u>232,490</u>

19 Pension and other schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £330,035 (2022 - £309,543).

Contributions totalling £53,204 (2022 - £51,023) were payable to the scheme at the end of the year and are included in creditors.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

20 Share capital

Allotted, called up and fully paid shares

	No.	2023 £	No.	2022 £
Ordinary shares of £1 each	1	1	1	1
'A' Ordinary shares of £1 each	1	1	1	1
	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

21 Dividends

Interim dividends paid

	2023 £	2022 £
Interim dividend of £2,500.00 (2022 - £2,000.00) per each Ordinary shares	2,500,000	2,000
Interim dividend of £2,500.00 (2022 - £2,000.00) per each 'A' Ordinary shares	<u>2,500,000</u>	<u>2,000</u>
	<u>5,000,000</u>	<u>4,000</u>

22 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2023 £	2022 £
Not later than one year	361,131	275,413
Later than one year and not later than five years	<u>333,221</u>	<u>486,910</u>
	<u>694,352</u>	<u>762,323</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £406,843 (2022 - £295,138).

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

23 Net debt

	At 1 May 2022 £	Cash flow £	Other non cash changes £	At 30 April 2023 £
Cash at bank and on hand	944,801	1,890,948	-	2,835,749
Bank overdrafts	-	-	-	-
Cash and cash equivalents	944,801	1,890,948	-	2,835,749
Finance leases	(286,934)	188,274	(363,077)	(461,737)
Bank loans	-	-	-	-
Net funds	<u>657,867</u>	<u>2,079,222</u>	<u>(363,077)</u>	<u>2,374,012</u>

24 Related party transactions

Key management compensation

	2023 £	2022 £
Salaries and other short term employee benefits	652,301	609,405
Post-employment benefits	30,720	29,021
	<u>683,021</u>	<u>638,426</u>

Summary of transactions with key management

Transactions with the director

	At 1 May 2022 £	Advances to director £	Repayments by director £	At 30 April 2023 £
2023				
Director				
Unsecured and repayable on demand	<u>323,444</u>	<u>(3,096,445)</u>	<u>5,059,560</u>	<u>2,286,559</u>
	At 1 May 2021 £	Advances to director £	Repayments by director £	At 30 April 2022 £
2022				
Director				
Unsecured and repayable on demand	<u>1,715,251</u>	<u>(1,454,847)</u>	<u>63,040</u>	<u>323,444</u>

Expenditure with and payables to related parties

	Other related parties £
2023	
Leases	<u>484,309</u>

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

	Other related parties £
2022	
Leases	431,104
Amounts payable to related party	<u>5,163</u>

Amounts payable to related parties are included within trade creditors and accruals.

Loans to related parties

	Other related parties £	Total £
2023		
At start of period	11,464,696	11,464,696
Advanced	359,390	359,390
Repaid	<u>(42,931)</u>	<u>(42,931)</u>
At end of period	<u>11,781,155</u>	<u>11,781,155</u>

	Other related parties £	Total £
2022		
At start of period	9,310,648	9,310,648
Advanced	2,206,777	2,206,777
Repaid	<u>(52,729)</u>	<u>(52,729)</u>
At end of period	<u>11,464,696</u>	<u>11,464,696</u>

Income and receivables from related parties

	Other related parties £
2023	
Receipt of services	101,693
Amounts receivable from related party	<u>2,703</u>

	Other related parties £
2022	
Receipt of services	67,193
Amounts receivable from related party	<u>67,193</u>

Summary of transactions with other related parties

Other related parties include close relations to the director and other companies in which the director of Beacon Communications Services limited is also a director.

Beacon Communication Services Ltd

Notes to the Financial Statements

Year Ended 30 April 2023

25 Parent and ultimate parent undertaking

The ultimate controlling party is Mr M Manton and Mrs C Manton by virtue of their ownership of 100% of the share capital of the company.