Registered number
02765607

Controlaccount plc

Report and Financial Statements

31 December 2019

CK Audit

Chartered Accountants and Statutory Auditors

West Midlands

Controlaccount plc

Report and accounts

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Controlaccount plc

Company Information

Directors

D Harvey

G A R Ball

I Mitchell

R Jefferies

Secretary

D Harvey

Auditors

CK Audit

No4 Castle Court 2

Castlegate Way

Dudley

West Midlands

DY1 4RH

Registered office

Compass House Waterside

Hanbury Road

Bromsgrove

Worcestershire

B60 4FD

Registered number

02765607

Controlaccount plc

Registered number: 02765607

Directors' Report

The directors present their report and financial statements for the year ended 31 December 2019.

Principal activities

The company's principal activity during the year continued to be that of a debt collection agency, providing a range of credit management outsourcing solutions to a diverse range of industry sectors together with the provision of on-line ancillary services.

Future developments

Controlaccount and identeco are both recognised quality brands and the business has extensive knowledge of its markets combined with long term and contracted customer relationships spanning more than 20 years. This enables the Company to apply its leading-edge technology in delivering a range of end to end outsourced credit management and recovery solutions together with connected on-line ancillary services. These all deliver against clients performance objectives, improving efficiency, limiting risk and driving out unproductive cost in customers own operations. Our SAAS (software as a Service) systems will continue to develop and are becoming a key feature of growth.

The business is managed by an experienced senior team, supported by strong second tier management which sets and manages the strategic direction of the Company and continuously seeks opportunities to enhance and extend the range of service offered, improve operational control, identify new markets/technologies and develop employees promoting an inclusive culture of transparency, responsibility and accountability.

These clear and consistent strategies have enabled strong and steady business performance while allowing expansion into areas of growth. We look to build on this by leveraging our key competitive strengths through well-defined strategic planning that will drive growth in both revenue and profitability. The key elements within Controlaccount strategy include:

- Continuing to optimise our assets, offering excellent service to our customers and achieve our regulatory obligations;
- Maintaining good governance throughout the business through education, clear and well defined policies together with maintaining high standards through ISO and other external accreditations;
- The training and the development of talented people will continue to offer all our employees terms and conditions commensurate with other employers operating in our sector and provide opportunities for future career advancement as the business grows and develops;
- Continued investment in technology that delivers competitive advantage and operational efficiencies all strategically important for the future of the business;
- Consistently look to identify customers' needs that can be solved by our capabilities;
- Improving margins through a continuous drive for operational efficiencies;
- Delivering sales growth through investment in organic growth drivers such as new product/service development and technology;
- Growth through acquisition that allows us to expand into new markets or acquire technologies or skill sets.

We manage the business to drive sales growth, improve margins, maximise cash-flows and enhance returns for our shareholders while promoting a culture of responsibility. We measure our performance and the effectiveness of our strategy through key performance indicators.

Dividends

Dividends of £251,861 were declared and paid in the year on the Ordinary shares.

Directors

The following persons served as directors during the year:

D Harvey
P Husband (Resigned 2/5/19)
G A R Ball
I Mitchell
R Jefferies

Directors' responsibilities

The directors are responsible for preparing the report and 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 (Financial Reporting Standard 102 and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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.

Auditor

CK Audit were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put to at a General Meeting.

Disclosure of information to auditors

Each person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This report was approved by the board on 15 September 2020 and signed on its behalf.

D Harvey
Director

The directors present their strategic report for the year ending 31 December 2019.

Review of the business

During 2019 Controlaccount Plc delivered another strong year with sales growth and profits achieved above forecast plans. In a busy year the business continued to invest in all of its software platforms "CogendaWorks", "identeco" and "T&A", these products support Controlaccount operations as well as offering our customer's a diverse range of recovery and outsourced financial administration services suitable for a variety of business applications. Our focus remained on developing cloud based applications for greater third party interaction and the expansion of the business through extended services. During the year the Group acquired the entire share capital of Cirrus Information Technology Ltd a HR software development business offering a cloud based HR solution with data centre under the brand "Dart". Following this acquisition the software was enhanced, integrated with our existing time and attendance system and re-launched under the brand identecoHR at the end of January 2020. Whilst the business world has changed considerably since the re-launch of the product, we have a number of interesting tenders in progress and the software continues to improve with additional modules to enable a Covid-Safe working environment. Software innovation and control over IT development underpins part of our growth strategy helping operations work smarter and provides the ability to respond quickly to new customer requirements, introduce new services or take advantage of emerging technologies and changes in the market. Maintaining a multi-disciplined software development team increases our knowledge base in this ever changing landscape helping us stay on top of the latest developments, keeping our software applications current. We continue to strengthen our competitive advantage making us more productive and developing the digital tools that our customers need for effortless efficiency, keeping them up to date in a transparent working environment.

Delivering quality services is a core strategy and we remain focused on developing personnel and expertise to drive performance across all areas of the business; during the year we maintained our ISO accreditations which strengthen operations and the IT security architecture providing a framework of continuous improvement. We also continued to work on our range of ancillary support services and BPO outsourcing solutions, extending the operational reach of the business for greater appeal and business sustainability.

The directors are satisfied with the performance of the company as reported in the financial statements and will continue to drive revenue growth, customer value and shareholder returns, while broadening the Company's offering and optimising efficiency for increased profitability.

Principal risks and uncertainties

Economic climate

The year began with a relatively stable market and good demand, but since the end of the first quarter 2020, the economic climate in the UK and around the World has changed considerably. During the latter part of March 2020 all Controlaccount's activities were moved offsite and will remain this way until the Directors are confident that we can keep our employees safe in every respect. Fortunately we already possessed the technology to achieve this move without any significant level of capital investment or major disruption to the service, as remote working has been a feature of our service for some years. Our first quarter's results were on forecast and whilst some numbers at the beginning of quarter two dipped initially these soon recovered to those levels we achieved during 2019. We can now see little organic growth for the remainder of 2020 but the directors are confident in the Company's abilities to continue to maintain current customers by providing an efficient quality service, whilst developing opportunities through technology and connected services throughout 2020 and into 2021.

Liquidity Risk

The directors consider that the Company has sufficient current assets to enable it to continue to trade and to pay its liabilities as and when they become due.

Retention of key people

Reducing uncontrolled employee turnover is a major strategic challenge for the business as it's important that key people working at all levels are retained and developed. The directors take a collaborative, supportive, and nurturing approach to the recruitment and retention of staff which has resulted in low attrition rates.

Competitor activity

The business operates in a large and competitive market that has a substantial number of high profile and medium size competitors. Our challenge in developing existing customers and attracting new business is how we deliver services and improve our offering; the directors have invested in the service by the development of feature rich software that keeps customers connected to the service effortlessly across all boundaries, with speed and connectivity that delivers both functionality and transparency. Within operations we focus on performance in every aspect to ensure Controlaccount operates to the highest standards, we look to identify customers' needs that can be solved by our capabilities and our pricing solutions take into account competitor options and activity. Always looking forward the business continues to develop software that enhances operations and extends its range of services.

Key performance indicators

The Companies business model is extensive and relies on the timely execution of key tasks, high quality actions and early identification of problems. To ensure consistent performance the Company employs a range of key performance indicators to measure and refine the recovery process, enhance employee performance and to improve quality aspects of service delivery

Whilst many of these KPI's have little significance on their own when relating them to year end accounts, together they make a substantial contribution to the overall results and can be seen in the ratio of earnings per productive employee which shows an increase of 7.4% from £67,936 2018 to £72,943 in the year to December 2019. This improvement is connected with stronger performance across all areas of the business.

This report was approved by the board on 15 September 2020 and signed on its behalf.

D Harvey

Controlaccount plc

Independent auditors' report

to the members of Controlaccount plc

Opinion

We have audited the financial statements of Controlaccount plc for the year ended 31 December 2019 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the 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 FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 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 of 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's 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors 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 explicitely 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 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 or other information, we are required to report the fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 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 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.

Auditor's 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Frances Clapham
(Senior Statutory Auditor)
for and on behalf of
CK Audit
Accountants and Statutory Auditors
15 September 2020

No4 Castle Court 2
Castlegate Way
Dudley
West Midlands
DY1 4RH

Controlaccount plc

Income Statement

for the year ended 31 December 2019

	Notes	2019	2018
		£	£
Turnover	2	3,537,741	2,736,409
Cost of sales		(1,532,486)	(1,331,567)
Gross profit		2,005,255	1,404,842
Administrative expenses		(1,109,127)	(920,728)
Operating profit	3	896,128	484,114
Interest receivable		897	249
Interest payable	6	(24,030)	(16,576)
Profit on ordinary activities before taxation		872,995	467,787
Tax on profit on ordinary activities	7	(108,468)	66,835
Total comprehensive income for the financial year		**764,527**	**534,622**

The income statement has been prepared on the basis of all operations continuing.

Controlaccount plc

Registered number: 02765607

Statement of Financial Position

as at 31 December 2019

	Notes		2019		2018
			£		£
Fixed assets					
Intangible assets	8		30,000		-
Tangible assets	9		354,102		334,127
			384,102		334,127
Current assets					
Stocks	10	577,821		549,002	
Debtors	11	765,335		481,561	
Cash at bank and in hand		822,630		586,407	
		2,165,786		1,616,970	
Creditors: amounts falling due within one year	12	(897,574)		(970,600)	
Net current assets			1,268,212		646,370
Total assets less current liabilities			1,652,314		980,497
Creditors: amounts falling due after more than one year	13		(215,655)		(38,256)
Provisions for liabilities					
Deferred taxation	16		(62,848)		(51,129)
Net assets			**1,373,811**		**891,112**
Capital and reserves					
Called up share capital	17		109,934		139,901
Profit and loss account	18		1,263,877		751,211
Total equity			**1,373,811**		**891,112**

G A R Ball

D Harvey

Directors

Approved by the board on 15 September 2020

Controlaccount plc

Statement of Changes in Equity

for the year ended 31 December 2019

	Share capital	Profit and loss account	Total
	£	£	£
At 1 January 2018	139,901	438,168	578,069
Profit for the financial year		534,622	534,622
Dividends		(221,579)	(221,579)
At 31 December 2018	139,901	751,211	891,112
At 1 January 2019	139,901	751,211	891,112
Profit for the financial year		764,527	764,527
Dividends		(251,861)	(251,861)
Shares redeemed	(29,967)		(29,967)
At 31 December 2019	109,934	1,263,877	1,373,811

Controlaccount plc

Statement of Cash Flows

for the year ended 31 December 2019

	Notes	2019	2018
		£	£
Operating activities			
Profit for the financial year		764,527	534,622
Adjustments for:			
Interest receivable		(897)	(249)
Interest payable		24,030	16,576
Tax on profit on ordinary activities		108,468	(66,835)
Depreciation		13,639	15,068
Increase in stocks		(28,819)	(18,957)
Increase in debtors		(283,774)	(235,403)
(Decrease)/increase in creditors		(133,175)	306,458
		463,999	551,280
Interest received		897	249
Interest paid		(24,030)	(16,576)
Corporation tax paid		(30,539)	67,475
Cash generated by operating activities		410,327	602,428
Investing activities			
Payments to acquire intangible fixed assets		(30,000)	-
Payments to acquire tangible fixed assets		(63,614)	(57,328)
Proceeds from sale of tangible fixed assets		30,000	-
Cash used in investing activities		(63,614)	(57,328)
Financing activities			
Equity dividends paid		(251,861)	(221,579)
Payments to redeem shares		(29,967)	-
Proceeds from new loans		300,000	60,000
Repayment of loans		(318,372)	(106,814)
Capital element of finance lease payments		256,801	-
Cash used in financing activities		(43,399)	(268,393)
Net cash generated			
Cash generated by operating activities		410,327	602,428
Cash used in investing activities		(63,614)	(57,328)
Cash used in financing activities		(43,399)	(268,393)
Net cash generated		303,314	276,707

Cash and cash equivalents at 1 January		519,316	242,609
Cash and cash equivalents at 31 December		822,630	519,316
Cash and cash equivalents comprise:			
Cash at bank		822,630	586,407
Bank overdrafts	12	-	(67,091)
		822,630	519,316

Controlaccount plc

Notes to the Accounts

for the year ended 31 December 2019

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1 Summary of significant accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover comprises revenue earned from the rendering of services and is adjusted for the movement in work in progress.

Intangible fixed assets

Intangible fixed assets are measured at cost less accumulative amortisation and any accumulative impairment losses.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Computer equipment	25% of cost
Fixtures and fittings	20 and 25% of cost

Work in progress

Work in progress is measured at the lower of cost and net realisable value. Cost comprises all services carried out towards debt recovery, and due to commission and fees being only receivable on successful recovery, the anticipated success rate is applied on each catergory of debt to these costs. Net realisable value is the commission and fees on the successful debt collection.

Judgements and key sources of estimation uncertainty

In preparing work in progress reports management use estimates to assess the likelihood of recovering cost outlaid during the year, held against uncompleted work at the year end. All such estimates are rigorously assessed and tested using extensive KPI reporting metrics within the business which include but are not limited to sector performance data, customer performance data, process success rates, the performance of legal providers and other external contractors. All KPI analysis is current and any change in performance is considered within all key estimates used.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are recognised at transaction price including any transaction costs.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price).

Loans and other financial liabilities are recognised at transaction price net of any transaction costs.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference. Current and deferred tax assets and liabilities are not discounted.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

2 **Analysis of turnover**	**2019**	**2018**
	£	**£**
Services rendered	3,537,741	2,736,409
By geographical market:		
UK	3,537,741	2,736,409

The turnover and profit for the year has been derived from its principal activities.

3 Operating profit

	2019	2018
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	13,639	15,068
Operating lease rentals - plant and machinery	20,346	16,110
Operating lease rentals - land and buildings	82,960	80,243
Auditors' remuneration for audit services	6,500	8,000

4 Directors' emoluments

	2019	2018
	£	£
Emoluments	30,000	40,000
Company contributions to defined contribution pension plans	825	-
	30,825	40,000

Number of directors to whom retirement benefits accrued:	2019	2018
	Number	Number
Defined contribution plans	3	3

5 Staff costs

	2019	2018
	£	£
Wages and salaries	1,174,161	1,046,797
Social security costs	88,359	78,417
Other pension costs	25,751	17,320
	1,288,271	1,142,534

Average number of employees during the year	Number	Number
Administration	22	20
Collectors	45	41
	67	61

6 Interest payable

	2019	2018
	£	£
Bank loans and overdrafts	24,030	16,576

7 Taxation

	2019	2018
	£	£

Analysis of charge in period

Current tax:		
UK corporation tax on profits of the period	96,749	30,539
Adjustments in respect of previous periods	-	(108,116)
	96,749	(77,577)
Deferred tax:		
Origination and reversal of timing differences	11,719	10,742
Tax on profit on ordinary activities	108,468	(66,835)

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2019	2018
	£	£
Profit on ordinary activities before tax	872,995	467,787
Standard rate of corporation tax in the UK	19.00%	19.00%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	165,869	88,880
Effects of:		
Expenses not deductible for tax purposes	59	338
Enhanced research and development	(57,460)	(47,937)
Capital allowances for period in excess of depreciation	(11,719)	(10,742)
Adjustments to tax charge in respect of previous periods	-	(108,116)
Current tax charge for period	96,749	(77,577)

Factors that may affect future tax charges

The provision for deferred tax is calculated based on tax rates enacted or substantially enacted at the balance sheet date. The rate of corporation tax at 1 April 2019 is 19%. It is expected that the deferred tax will unwind at the small companies rate of 19%.

8 Intangible fixed assets

	£
P R Branding	
Cost	
Additions	30,000
At 31 December 2019	30,000
Amortisation	

At 31 December 2019	-
Carrying amount	
At 31 December 2019	30,000

Branding is being written off in equal annual instalments over its estimated economic life of 5 years.

9 Tangible fixed assets

	Computer Equipment	Fixtures and fittings	Total
	£	£	£
Cost			
At 1 January 2019	391,510	12,178	403,688
Additions	59,795	3,819	63,614
Disposals	(47,421)	-	(47,421)
At 31 December 2019	403,884	15,997	419,881
Depreciation			
At 1 January 2019	57,890	11,671	69,561
Charge for the year	12,750	889	13,639
On disposals	(17,421)	-	(17,421)
At 31 December 2019	53,219	12,560	65,779
Carrying amount			
At 31 December 2019	350,665	3,437	354,102
At 31 December 2018	333,620	507	334,127

10 Stocks

	2019	2018
	£	£
Work in progress	577,821	549,002

11 Debtors

	2019	2018
	£	£
Trade debtors	523,176	385,837
Amounts owed by group undertakings and undertakings in which the company has a participating interest	186,083	-
Prepayments and accrued income	56,076	95,724
	765,335	481,561

12 Creditors: amounts falling due within one year

	2019	2018
	£	£

Bank overdraft	-	67,091
Bank loans	11,801	11,570
Obligations under finance lease and hire purchase contracts	67,799	-
Trade creditors	76,884	145,782
Client ledger	444,104	586,215
Directors loans	-	7,000
Corporation tax	96,749	30,539
Other taxes and social security costs	164,960	96,370
Accruals and deferred income	35,277	26,033
	897,574	970,600

The bank loans and overdraft are secured by a debenture over all the company's assets.

13 Creditors: amounts falling due after one year	2019	2018
	£	£
Bank loans	26,653	38,256
Obligations under finance lease and hire purchase contracts	189,002	-
	215,655	38,256

14 Loans	2019	2018
	£	£
Analysis of maturity of debt:		
Within one year or on demand	11,801	78,661
Between one and two years	13,000	11,995
Between two and five years	13,653	26,261
	38,454	116,917

The bank loan and overdraft are secured on all of the company's assets.

15 Obligations under finance leases and hire purchase contracts	2019	2018
	£	£
Amounts payable:		
Within one year	67,799	-
Within two to five years	189,002	-
	256,801	-

16 Deferred taxation	2019	2018
	£	£
Accelerated capital allowances	62,848	51,129

	2019	2018
	£	£

At 1 January	51,129	40,387
Charged to the profit and loss account	11,719	10,742
At 31 December	62,848	51,129

17 Share capital

	Nominal value	2019 Number	2019 £	2018 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	50,000	50,000	50,000
Redeemable preference shares	£1 each	59,934	59,934	89,901
			109,934	139,901

18 Profit and loss account

	2019 £	2018 £
At 1 January	751,211	438,168
Profit for the financial year	764,527	534,622
Dividends	(251,861)	(221,579)
At 31 December	1,263,877	751,211

19 Dividends

	2019 £	2018 £
Dividends on ordinary shares (note 18)	251,861	221,579

20 Defined contribution pension plans

The company offers a defined contribution scheme for the benefit of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £25,751 (2018 £17,320)

21 Other financial commitments

Total future minimum lease payments under non-cancellable operating leases:

	Land and buildings 2019 £	Land and buildings 2018 £	Other 2019 £	Other 2018 £
Falling due:				

within one year	19,578	82,960	2,724	9,263
within two to five years	-	19,578	3,818	-
	19,578	102,538	6,542	9,263

22 Related party transactions

Controlaccount plc during the year traded on normal commercial terms with related companies as follows:-

G Ball who is a director is also executive chairman of The New Victoria Hospital.

Sales	4,019
Year end Debtor	431

D Harvey who is a director is also a shareholder and director of Alloygator Ltd

Sales	677
Year end Debtor	204

Broadriver (Holdings) Ltd, the ultimate holding company for Controlaccount plc received loans from the company totalling £186,083 which were outstanding at the year end.

23 Controlling party

In the opinion of the directors the ultimate holding company is Broadriver (Holdings) Ltd a company incorporated in England and Wales.

24 Presentation currency

The financial statements are presented in Sterling.

25 Legal form of entity and country of incorporation

Controlaccount plc is a private company limited by shares and incorporated in England.

26 Principal place of business

The address of the company's principal place of business and registered office is:

Compass House Waterside
Hanbury Road
Bromsgrove
Worcestershire
B60 4FD

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