Company Registration No. 03239279 (England and Wales)

ACCESS COMPUTER CONSULTING PLC

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

tc accounts · tax · legal · financial planning

The Granary
Hones Yard
1 Waverley Lane
Farnham
Surrey
GU9 8BB

CONTENTS

ACCESS COMPUTER CONSULTING PLC

COMPANY INFORMATION

Directors	Mr A. Head Mr D. Butler-McAllister
Company number	03239279
Registered office	Access House 25-29 Church Street Basingstoke Hampshire RG21 7QQ
Auditors	TC Group The Granary Hones Yard 1 Waverley Lane Farnham Surrey GU9 8BB

The directors present the strategic report and financial statements for the year ended 31 December 2020.

Principal activity

The principal activity of the company during the year under review was that of computer consultancy, staff recruitment and subcontracting agency.

Business Review

2020 was another year of growth for Access plc, predominantly spurred on by the further development of our Managed Services division who due to their significant expansion in the M365 space and our Gold Partnership accreditation with Microsoft we can now offer deliverable statements of work to enterprise level clients. Our development to be a leading consultancy of M365 and cloud-based services (Office 365 and Dynamics) alongside our performance levels in delivering projects on time and within budget is a massive testament to our staff and consultants who have excelled in very different and difficult times.

We continue to invest heavily in staff marketing, and our development strategy as technology changes at a rapid pace with the need to keep ourselves current and at the forefront of clients. We did not furlough any staff, nor did we apply for any loans or business interruption grants in 2020.

Our client engagements in 2020 were with major clients and with our offerings being both current and leading edge we see 2021 and beyond being very busy and lucrative.

Principal risks and uncertainties

2020 was certainly a year like no other, with lockdowns and working from home due to Covid-19 restrictions being the norm from March. But, as Access's approach and offerings have been cloud based for some time, so we met few issues that stopped us working for clients in the way we had done in the past, in fact we thrived from the pandemic by using a collaborative approach with clients and partners and with our cloud-based services we now consider ourselves a global services company.

The return to the same working life we all had pre 2020 is highly unlikely, but we feel that our services complimented our new approach, so we see 2021 and beyond as challenging but exciting times.

Key performance indicators

The company monitors its performance against strategic objectives by means of key performance indicators. The main KPIs it uses are oriented around margins and turnover.

KPI	2020	2019	2018
Turnover	21,042,870	13,271,689	12,209,217
Gross Profit Margin	26.2%	39.5%	16.5%

Directors' Duties

Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of stakeholders in their decision making.

The Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which 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, to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company, (the s.172(1) Matters)

The Board reviews our principal stakeholders and how we engage with them. Our key stakeholder are: Employees, customers and suppliers and shareholders.

The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the Board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision making.

Employees

We continue to be a responsible employer in our approach to employees, ensuring we communicate and engage with them regularly in a variety of ways and that the voice of the workforce is heard and taken into account when making decisions. We recognise our employees are fundamental to the long-term success of our business. Their health, safety and wellbeing is one of our primary considerations in the way we operate and the support we provide to them.

Customers and suppliers

We aim to work responsibly with our suppliers and customers and are committed to supporting and respecting human rights in the workplace and in the communities.

Shareholders

The Company engages with shareholders by maintaining a regular communication from which it values the interaction and feedback.

On behalf of the board

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Mr A. Head
Director
Date: 24/06/2021

The directors present their annual report and financial statements for the year ended 31 December 2020.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr A. Head
Mr D. Butler-McAllister

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £20,000. The directors do not recommend payment of a further dividend.

Financial instruments

Details of the company's financial risk management objectives and policies are included in Note 20 to the accounts.

Post reporting date events

The directors would like to draw your attention to their consideration of the effect on the company of COVID 19 in note 1.2 and 1.3.

Future developments

The investments which we made in 2016 in our internal systems have enabled the company to create a base that will allow us to be 100% cloud based, resulting in our ability to run more efficiently thereby creating a more agile environment. We will continue to invest in our systems and strategy so that we run the business as efficiently as possible, and also to enable scalability and efficient working across our different offices.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

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

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

Statement of disclosure to auditor
Each of the directors in office at the date of approval of this annual report confirms that:

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

Auditor
The auditor, TC Group, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

On behalf of the board

....

Mr A. Head
Director
Date: 24/06/2021

ACCESS COMPUTER CONSULTING PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ACCESS COMPUTER CONSULTING PLC

Opinion
We have audited the financial statements of Access Computer Consulting PLC (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Balance Sheet, 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 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 2020 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'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
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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 our 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 and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ACCESS COMPUTER CONSULTING PLC

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.

TC Group

Andrew Wilson ACA FCCA (Senior Statutory Auditor)
For and on behalf of TC Group

Statutory Auditor

Date: 28 June 2021

Office: Farnham

ACCESS COMPUTER CONSULTING PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2019 £
Turnover	3	21,042,870	13,271,689
Cost of sales		(15,522,429)	(10,881,723)
Gross profit		5,520,441	2,389,966
Administrative expenses		(1,508,578)	(1,609,908)
Operating profit	4	4,011,863	780,058
Interest receivable and similar income	8	9,169	8,656
Interest payable and similar expenses	9	(10,432)	(10,479)
Profit before taxation		4,010,600	778,235
Tax on profit	10	(534,258)	59,672
Profit for the financial year		3,476,342	837,907

The Statement of Comprehensive Income has been prepared on the basis that all operations are continuing operations.

The notes on pages 14 to 27 form part of these financial statements

ACCESS COMPUTER CONSULTING PLC

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		984		2,797
Current assets					
Debtors	14	2,406,405		2,257,859	
Cash at bank and in hand		5,980,151		2,228,543	
		8,386,556		4,486,402	
Creditors: amounts falling due within one year	15	(1,529,349)		(1,087,350)	
Net current assets			6,857,207		3,399,052
Total assets less current liabilities			6,858,191		3,401,849
Capital and reserves					
Called up share capital	19		50,000		50,000
Profit and loss reserves			6,808,191		3,351,849
Total equity			6,858,191		3,401,849

The financial statements were approved by the board of directors and authorised for issue on 24/6/2021 and are signed on its behalf by:

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Mr A. Head
Director

Company Registration No. 03239279

The notes on pages 14 to 27 form part of these financial statements

ACCESS COMPUTER CONSULTING PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Share capital	Profit and loss reserves	Total
		£	£	£
Balance at 1 January 2019		50,000	2,513,942	2,563,942
Period ended 31 December 2019:				
Profit and total comprehensive income for the year		-	837,907	837,907
Balance at 31 December 2019		50,000	3,351,849	3,401,849
Period ended 31 December 2020:				
Profit and total comprehensive income for the year		-	3,476,342	3,476,342
Dividends	11	-	(20,000)	(20,000)
Balance at 31 December 2020		50,000	6,808,191	6,858,191

ACCESS COMPUTER CONSULTING PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from operations	**22**		3,909,305		1,677,676
Interest paid			(10,432)		(10,479)
Income taxes paid			-		(1,457)
Net cash inflow from operating activities			3,898,873		1,665,740
Investing activities					
(Increase)/decrease in directors' loan account		(136,434)		(24,805)	
Interest received		9,169		327	
Net cash used in investing activities			(127,265)		(24,478)
Financing activities					
Dividends paid		(20,000)		-	
Net cash used in financing activities			(20,000)		-
Net increase in cash and cash equivalents			3,751,608		1,641,262
Cash and cash equivalents at beginning of year			2,228,543		587,281
Cash and cash equivalents at end of year			5,980,151		2,228,543

The notes on pages 14 to 27 form part of these financial statements

1 Accounting policies

Company information

Access Computer Consulting PLC is a private company limited by shares domiciled and incorporated in England and Wales. The registered office is Access House, 25-29 Church Street, Basingstoke, Hampshire, RG21 7QQ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

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

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

1.2 Going concern

Due to the continuing UK Government measures in respect of COVID-19, there is uncertainty in measuring the potential impact of COVID-19 on the business's operations, financial position and cash flows. These factors and any future policy announcements by the UK Government are largely outside of the control of the company's directors, and the impact may well be very different for the subcontracting and IT consulting and managed services businesses which the company operates.

As set out in the statement of directors' responsibilities statement on page 5, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the directors have prepared forecasts and considered their expectations for the company over the next 12 months, and the company's ability to meet its liabilities as they fall due, based upon the information available to the directors at the date of these financial statements.

Since the start of the UK lockdown period in March 2020 the company's subcontracting business has experienced lower demand and revenues. However, the IT business has secured a very significant, new managed services contract together with other new contracts for delivery throughout 2020, and which are able to be delivered through remote working. Throughout this period the company has maintained significant cash balances and as a result it has not had to, nor plans to, take advantage of any Government support/grant schemes, and has no external debt funding.

Based on their forecasts and the financial position of the company, the directors have a reasonable expectation that the company has adequate resources to contend with the uncertainties that may arise as a result of the COVID-19 pandemic, and to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1 Accounting policies **(Continued)**

1.3 Turnover

In relation to contract placements, revenue is recognised by the company in respect of services supplied on a month by month basis, exclusive of value added tax.

In relation to permanent placements, turnover is recognised at the date on which the candidate commences employment, exclusive of value added tax.

For contracts to provide software and computer consultancy services the company recognises revenue to the extent that it has obtained the right to consideration through its performance under the contract.

Revenue in respect of maintenance and support contracts is recognised over the term of the contract.

1.4 Research and development expenditure

Research and development expenditure is written off against profits in the year in which it is incurred.

1.5 Tangible fixed assets

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

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

Fixtures and fittings	25% reducing balance
Computer equipment	50% straight line
Motor vehicles	25% reducing balance

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

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.7 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1 Accounting policies **(Continued)**

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

1 Accounting policies **(Continued)**

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans, 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. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised costs using the effective interest method.

1.9 Equity instruments

Equity instruments issued by the company are recorded as the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

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

Current tax

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the period in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1 Accounting policies **(Continued)**

1.11 Employee benefits

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

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

1.12 Retirement benefits

The company operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the company. Contributions payable are charged to the profit and loss account in the year they are payable.

1.13 Leases

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

1.14 Foreign exchange

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on the retranslation of monetary items are taken to the profit and loss account.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are 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.

Revenue recognition on contracts

The directors have to make assumptions which involve judgement and estimation in respect of the completion of the company's IT consultancy contracts in order to assess the revenue which should be recognised in respect of those contracts in any financial period. This assessment involves reviewing the stage of completion of the project in comparison to the milestone or deliverable per the contract to ensure that this reflects the company's right to consideration. As part of that assessment the directors may need to make adjustments to the accounts to accrue for revenue and costs to ensure that the accounts reflect the revenue and profitability appropriately.

The estimates used may differ from future actual results of cash flows, and it is possible that these differences could be material. Further, future events, including changes within the customer's business, could cause the company to conclude that impairment indicators exist. Any resulting impairment loss could have a material impact on the company's financial condition and results of operations.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2020	2019
	£	£
Turnover analysed by class of business		
Temporary contractors	4,274,331	5,880,849
Permanent placements	170,332	192,240
Sale of software and managed services	16,578,182	7,191,821
Other miscellaneous income	20,025	6,779
	21,042,870	13,271,689

	2020	2019
	£	£
Other significant revenue		
Interest income	9,169	8,656

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2020 £	2019 £
Exchange (gains)/losses	(32,329)	1,079
Depreciation of owned tangible fixed assets	1,813	5,809
Operating lease charges	1,954	67,923

5 Auditors' remuneration

Fees payable to the company's auditor and its associates:	2020 £	2019 £
For audit services		
Audit of the company's financial statements	13,100	9,500
For other services		
In respect of other services	3,315	3,479

6 Employees

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

	2020 Number	2019 Number
Distribution staff	9	10
Administrative staff	3	3
Management staff	2	2
	14	15

Their aggregate remuneration comprised:

	2020 £	2019 £
Wages and salaries	781,204	679,394
Social security costs	94,180	79,050
Pension costs	22,997	16,317
	898,381	774,761

7 Directors' remuneration

	2020	2019
	£	£
Remuneration for qualifying services	245,000	148,871
Sums paid to third parties for directors' services	-	154,156
	245,000	303,027

Remuneration disclosed above include the following amounts paid to the highest paid director:

Remuneration for qualifying services	130,727	20,833
Sums paid to third parties for directors' services	-	154,156

8 Interest receivable and similar income

	2020	2019
	£	£
Interest income		
Other interest income	9,169	8,656

9 Interest payable and similar expenses

	2020	2019
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	436	483
Other finance costs:		
Finance service charges	9,996	9,996
	10,432	10,479

10 Taxation

	2020	2019
	£	£
Current tax		
UK corporation tax on profits for the current period	625,697	91,439
Adjustments in respect of prior period R&D claim	(91,439)	(151,111)
Total current tax	534,258	(59,672)
Total tax charge	534,258	(59,672)

10 Taxation **(Continued)**

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2020	2019
	£	£
Profit before taxation	4,010,600	778,235
Expected tax charge based on a corporation tax rate of 19.00%	762,014	147,865
Tax effect of expenses that are not deductible in determining taxable profit	1,464	6,395
Adjustments in respect of prior year R&D claim	(91,439)	(151,111)
Fixed asset timing differences for which deferred tax is not recognised	(95)	-
Losses utilised	(137,686)	(64,145)
S455 on overdrawn DLA	55,109	-
Tax expense for the year	589,367	(60,996)

11 Dividends

	2020	2019
	£	£
Interim paid	20,000	-

12 Tangible fixed assets

	Fixtures and fittings	Computer equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2020 and 31 December 2020	1,500	15,147	15,110	31,757
Depreciation and impairment				
At 1 January 2020	1,156	13,662	14,142	28,960
Depreciation charged in the year	86	1,485	242	1,813
At 31 December 2020	1,242	15,147	14,384	30,773
Carrying amount				
At 31 December 2020	258	-	726	984
At 31 December 2019	344	1,485	968	2,797

13 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	2,459,037	2,221,846
Carrying amount of financial liabilities		
Debt instruments measured at amortised cost	485,200	731,827

14 Debtors

	2020	2019
Amounts falling due within one year:	£	£
Trade debtors	1,589,934	1,535,228
Directors loan account	461,949	325,515
Other debtors	135,724	125,686
Prepayments and accrued income	218,798	271,430
	2,406,405	2,257,859

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Corporation tax payable	625,697	91,439
Trade creditors	15,359	428,502
Other taxation and social security	418,452	264,084
Other creditors	97,733	4,085
Accruals and deferred income	372,108	299,240
	1,529,349	1,087,350

16 Retirement benefit schemes

	2020	2019
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	22,997	16,317

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Operating lease commitments

Lessee

Operating lease payments represent rentals payable by the company for certain of its properties. Leases are negotiated for an average term of 10 years and rentals are fixed for an average of 10 years.

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	21,097	16,533
Between two and five years	54,966	36,895
	76,063	53,428

18 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Company recharges	
	2020	2019
	£	£
Other related parties	321,787	-

The following amounts were outstanding at the reporting end date:

	2020	2019
Amounts due from related parties	£	£
Other related parties	1,962	-

19 Share capital

	2020	2019
	£	£
Ordinary share capital		
Issued and fully paid		
50,000 Ordinary shares of £1 each	50,000	50,000

The company has one class of ordinary shares which entitles the holder to full voting rights, full entitlement in respect of dividends and on winding up.

20 Finanical risk management, objectives and policies

Interest rate risk
The company's borrowings incurred interest during the period at 2% above the bank's base rate, subject to a minimum rate of 6%.

Credit risk
The company monitors credit risk closely and considers that its current policies of credit checks meets its objectives of managing exposure to credit risk.

The company has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

Currency risk
As at 31st December 2020 the company had no material currency exposures. The company's financial instruments are materially denominated in sterling.

Fair values of financial assets and liabilities
An assessment of the fair value of the company's financial instruments held for financing purposes has been undertaken as at 31st December 2020. No material differences exist between book and fair value.

21 Directors' transactions

One of the directors maintains a loan account with the company. At the beginning of the year the director owed the company £325,515. During the year a further £127,932 was advanced. At the the year-end, the director owed the company £461,949. Interest of £8,502 was charged on the loan at 2.5% until April, then at 2.25%.

22 Cash generated from operations

	2020	2019
	£	£
Profit for the year after tax	3,476,342	837,907
Adjustments for:		
Taxation charged/(credited)	534,258	(59,672)
Finance costs	10,432	10,479
Interest income	(9,169)	(8,656)
Depreciation and impairment of tangible fixed assets	1,813	5,809
Movements in working capital:		
(Increase)/decrease in debtors	(12,112)	757,240
(Decrease)/increase in creditors	(92,259)	134,569
Cash generated from operations	3,909,305	1,677,676

23 Analysis of changes in net funds

	1 January 2020	Cash flows	31 December 2020
	£	£	£
Cash at bank and in hand	2,228,543	3,751,608	5,980,151

ACCESS COMPUTER CONSULTING PLC

MANAGEMENT INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2020

ACCESS COMPUTER CONSULTING PLC

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

		2020		2019
	£	£	£	£
Turnover				
Sales of services		21,042,870		13,271,689
Cost of sales				
Contractors	15,522,429		10,881,723	
		(15,522,429)		(10,881,723)
Gross profit	26.23%	5,520,441	18.01%	2,389,966
Administrative expenses		(1,508,578)		(1,609,908)
Operating profit		4,011,863		780,058
Investment revenues				
Other interest receivable	9,169		8,768	
Interest received on corporation tax	-		(112)	
		9,169		8,656
Interest payable and similar expenses				
Bank interest on loans and overdrafts	436		483	
Finance service charge	9,996		9,996	
		(10,432)		(10,479)
Profit before taxation	19.06%	4,010,600	5.86%	778,235

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	2019
	£	£
Administrative expenses		
Wages and salaries	536,204	533,561
Staff NIC	62,790	61,015
Staff welfare	-	2,145
Training	-	3,385
Staff pension costs defined contribution	22,997	16,317
Redundancy costs - staff	-	40,000
Directors' remuneration	245,000	145,833
Directors' NIC	31,390	18,035
Commissions payable	-	29,180
Management charge	319,825	-
Rent and rates	69,571	63,545
Light, heat and power	2,176	1,301
Repairs and maintenance	1,444	11,204
Insurance	26,463	17,811
Computer costs	50,201	36,881
Vehicle leasing charges	1,954	9,704
Motor expenses	610	5,016
Travel costs	8,496	236,660
Legal and professional fees	26,062	11,510
Accountancy	3,315	3,479
Audit fees	13,100	9,500
Charitable donations	13,550	-
Bank charges	2,948	2,959
Printing, stationery and postage	1,513	2,516
Advertising	70,488	288,830
Telephone	15,829	12,760
Entertaining	7,668	31,468
General expenses	5,500	8,405
Depreciation	1,813	5,809
(Profit) or loss on foreign exchange	(32,329)	1,079
	1,508,578	1,609,908