Company Registration No. 03692607 (England and Wales)

MCARDLE SPORT-TEC LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

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MCARDLE SPORT-TEC LIMITED

COMPANY INFORMATION

Directors	J McArdle	
	M Freeman	
	M Jefferies	
	K Sands	
	S Barclay	
	R Thornton	
	C Taylor	(Appointed 1 January 2019)
Secretary	C Bell	
Company number	03692607	
Registered office	1 - 2 Thames Park Lester Way Wallingford Oxon OX10 9TA	
Auditor	Mercer & Hole Batchworth House Batchworth Place Church Street Rickmansworth Hertfordshire WD3 1JE	
Business address	1 - 2 Thames Park Lester Way Wallingford Oxon OX10 9TA	

MCARDLE SPORT-TEC LIMITED

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MCARDLE SPORT-TEC LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present the strategic report for the year ended 31 December 2018.

Fair review of the business

The company has enjoyed many successful years of trading within a competitive and busy sports surfaces market, with various funding sources.

We remain a partner with Tigerturf on both the FA and RFU framework agreements. In addition to this we are continually looking to create new relationships with Main Contractors, Consultants, and Independent Private Schools and Clubs, while maintaining existing relationships in order to provide the ongoing first class service and products expected by our clients. Over the years we have developed good relationships with Premiership and Championship football clubs, which has allowed us to create a very attractive portfolio of high profile clients. This has in turn assisted us with our sales and marketing campaigns.

Turnover for the year increased by 48.5% to £28,072,658 with a corresponding increase of 30.2% in Profit before taxation to £1,270,491. The increase in turnover was primarily due to the inclusion of a large one off project, and to a lesser degree an increase in the level of normal business activities.

We continue to place the highest emphasis on the quality of work throughout our operations, and this ongoing effort is reflected in our ISO14001, ISO9001, ISO18001, CHAS and Construction Line accreditations. We also remain a principal contractor with The Sports and Play Construction Association (SAPCA), and have recently become an FIH certified field builder. We believe our employees are fundamental in our ability to deliver high quality facilities to our clients, and we place great emphasis on developing and retaining employees, as demonstrated through our very low staff turnover.

We expect trading levels for the forthcoming year to decrease slightly compared to the current year, again largely due to the impact of the large one off project on the current year figures. We have taken steps to mitigate the impact of any decrease in trading by making substantial investment in diversifying our activities. As a result, we now have the ability to work on a broader scope of projects which complement our existing operations.

On behalf of the board

J McArdle
Director
15/5/19

MCARDLE SPORT-TEC LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their annual report and financial statements for the year ended 31 December 2018.

Principal activities
The principal activity of the company throughout the year was that of the design, construction and commissioning of sports facilities of all types and sizes.

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

J McArdle
M Freeman
M Jefferies
K Sands
S Barclay
R Thornton
C Taylor (Appointed 1 January 2019)

Results and dividends
The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £1,010,000. The directors do not recommend payment of a final dividend.

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

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

.....
J McArdle
Director
Date: 15/5/2019

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2018

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;
- 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.

MCARDLE SPORT-TEC LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF MCARDLE SPORT-TEC LIMITED

Opinion

We have audited the financial statements of McArdle Sport-Tec Limited (the 'company') for the year ended 31 December 2018 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 2018 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

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 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.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://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.

David Jones FCA (Senior Statutory Auditor)
for and on behalf of Mercer & Hole

15/5/19

Chartered Accountants
Statutory Auditor

Batchworth House
Batchworth Place
Church Street
Rickmansworth
Hertfordshire
WD3 1JE

MCARDLE SPORT-TEC LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2017 £
Turnover	3	28,072,658	18,903,795
Cost of sales		(24,699,762)	(16,143,083)
Gross profit		3,372,896	2,760,712
Administrative expenses		(2,127,781)	(1,787,107)
Other operating income		2,000	2,000
Operating profit	4	1,247,115	975,605
Interest receivable and similar income	7	23,376	547
Profit before taxation		1,270,491	976,152
Tax on profit	8	(229,827)	(203,455)
Profit for the financial year		1,040,664	772,697

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

MCARDLE SPORT-TEC LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	10		826,252		198,868
Current assets					
Debtors	11	6,827,342		5,245,191	
Cash at bank and in hand		2,255,243		1,593,373	
		9,082,585		6,838,564	
Creditors: amounts falling due within one year	12	(6,953,405)		(4,242,110)	
Net current assets			2,129,180		2,596,454
Total assets less current liabilities			2,955,432		2,795,322
Creditors: amounts falling due after more than one year	13		(164,724)		(59,620)
Provisions for liabilities	14		(31,314)		(6,972)
Net assets			2,759,394		2,728,730
Capital and reserves					
Called up share capital	17		100		100
Profit and loss reserves			2,759,294		2,728,630
Total equity			2,759,394		2,728,730

The financial statements were approved by the board of directors and authorised for issue on 15/5/2019 and are signed on its behalf by:

J McArdle
Director

Company Registration No. 03692607

MCARDLE SPORT-TEC LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 January 2017		100	2,155,933	2,156,033
Year ended 31 December 2017:				
Profit and total comprehensive income for the year		-	772,697	772,697
Dividends	9	-	(200,000)	(200,000)
Balance at 31 December 2017		100	2,728,630	2,728,730
Year ended 31 December 2018:				
Profit and total comprehensive income for the year		-	1,040,664	1,040,664
Dividends	9	-	(1,010,000)	(1,010,000)
Balance at 31 December 2018		100	2,759,294	2,759,394

MCARDLE SPORT-TEC LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2018

	Notes	2018 £	2018 £	2017 £	2017 £
Cash flows from operating activities					
Cash generated from operations			2,747,997		751,725
Income taxes paid			(393,790)		(138,996)
Net cash inflow from operating activities			2,354,207		612,729
Investing activities					
Purchase of tangible fixed assets		(725,693)		(146,586)	
Proceeds on disposal of tangible fixed assets		19,980		38,341	
Interest received		23,376		547	
Net cash used in investing activities			(682,337)		(107,698)
Financing activities					
Dividends paid		(1,010,000)		(200,000)	
Net cash used in financing activities			(1,010,000)		(200,000)
Net increase in cash and cash equivalents			661,870		305,031
Cash and cash equivalents at beginning of year			1,593,373		1,288,342
Cash and cash equivalents at end of year			2,255,243		1,593,373

1 Accounting policies

Company information

McArdle Sport-Tec Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 - 2 Thames Park, Lester Way, Wallingford, Oxon, OX10 9TA.

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

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources 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.

1.3 Turnover

Turnover represents the value of work done during the year net of value added tax. The value of work done is calculated as the certified work plus the amount anticipated to be certified, adjusted for over and under measures.

1.4 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 of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	1% on cost
Plant and machinery	25% on written down value
Fixtures, fittings & equipment	25% on written down value / 20% on cost / 33% on cost
Motor vehicles	25% on written down value

Freehold land is not depreciated.

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.

1.5 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). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1 Accounting policies **(Continued)**

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1.6 Cash at bank and in hand

Cash at bank and in hand 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, and bank overdrafts.

1.7 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.The impairment loss is recognised in profit or loss.

1 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

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 loans from 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.

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

Trade creditors are obligations to pay for goods or 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 cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at 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.

1.9 Taxation

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

1 Accounting policies **(Continued)**

Current tax

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

Deferred tax

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

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

1.10 Employee benefits

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

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

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

1.11 Retirement benefits

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Going concern

As indicated in note 1.2 it is the directors' assessment that the company continues to be a going concern. Accordingly, assets and liabilities have been valued on the basis that the company will continue in business. If this presumption proved to be mistaken the carrying value of the assets and liabilities would need to be reappraised to reflect the impact of cessation.

Assessing indicators of impairment

In assessing whether there have been any indicators of impairment assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability. There have been no material indicators of impairments identified during the current financial year other than in respect of bad and doubtful trade debtor balances recognised in the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Revenue recognition in respect of services

The company uses the percentage of completion method to recognise project revenue for fixed-price contracts. This method requires the directors to estimate the level of services performed at each reporting date as a proportion of the total services to be performed to complete the contract. Variations to estimates could result in the over or under recognition of revenue.

Recoverability of receivables

The company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors consider factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of the individual or groups of customers.

3 Turnover and other revenue

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

	2018	2017
	£	£
Turnover analysed by class of business		
Design and construction of sports facilities	28,072,658	18,903,795

3 Turnover and other revenue (Continued)

	2018	2017
	£	£
Other significant revenue		
Interest income	23,376	547

All turnover for the current and prior year relates to work taken place in the United Kingdom.

4 Operating profit

Operating profit for the year is stated after charging/(crediting):	2018 £	2017 £
Exchange (gains)/losses	(763)	4,784
Fees payable to the company's auditor for the audit of the company's financial statements	22,830	14,000
Depreciation of owned tangible fixed assets	67,329	56,831
Loss on disposal of tangible fixed assets	11,000	9,412

5 Employees

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

	2018 Number	2017 Number
	24	23

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	2,387,915	2,204,063
Social security costs	125,461	109,983
Pension costs	189,588	191,105
	2,702,964	2,505,151

6 Directors' remuneration

	2018 £	2017 £
Remuneration for qualifying services	993,105	883,172
Company pension contributions to defined contribution schemes	154,026	178,165
	1,147,131	1,061,337

6 Directors' remuneration (Continued)

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 5 (2017 - 6).

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

	2018	2017
	£	£
Remuneration for qualifying services	273,071	297,806

7 Interest receivable and similar income

	2018	2017
	£	£
Interest income		
Interest on bank deposits	3,376	528
Other interest income	20,000	19
Total income	23,376	547

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	3,376	528

8 Taxation

	2018	2017
	£	£
Current tax		
UK corporation tax on profits for the current period	205,485	203,796
Adjustments in respect of prior periods	-	5,787
Total current tax	205,485	209,583
Deferred tax		
Origination and reversal of timing differences	24,342	(6,128)
Total tax charge	229,827	203,455

(Continued)

The actual charge 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:

	2018 £	2017 £
Profit before taxation	1,270,491	976,152
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 19.25%)	241,393	187,876
Tax effect of expenses that are not deductible in determining taxable profit	4,656	15,635
Permanent capital allowances in excess of depreciation	-	285
Other non-reversing timing differences	(41,782)	-
Under/(over) provided in prior years	(12,792)	5,787
Deferred tax adjustments in respect of prior years	24,342	(6,128)
Depreciation	12,793	-
Chargeable disposals	2,090	-
Other expenses not deductible	(873)	-
Taxation charge for the year	229,827	203,455

9 Dividends

	2018 £	2017 £
Interim paid	1,010,000	200,000

10 Tangible fixed assets

	Land and buildings Freehold	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 January 2018	-	69,254	84,724	238,121	392,099
Additions	525,000	92,520	21,661	86,512	725,693
Disposals	-	-	(5,797)	(57,800)	(63,597)
At 31 December 2018	525,000	161,774	100,588	266,833	1,054,195
Depreciation and impairment					
At 1 January 2018	-	50,340	72,539	70,352	193,231
Depreciation charged in the year	-	8,807	8,808	49,714	67,329
Eliminated in respect of disposals	-	-	(4,186)	(28,431)	(32,617)
At 31 December 2018	-	59,147	77,161	91,635	227,943
Carrying amount					
At 31 December 2018	525,000	102,627	23,427	175,198	826,252
At 31 December 2017	-	18,914	12,185	167,769	198,868

11 Debtors

Amounts falling due within one year:	2018 £	2017 £
Trade debtors	4,751,554	2,607,984
Amounts owed by group undertakings	-	1,510,000
Other debtors	1,060,082	923,945
Prepayments and accrued income	81,432	78,864
	5,893,068	5,120,793

Amounts falling due after more than one year:	2018 £	2017 £
Trade debtors	334,274	124,398
Other debtors	600,000	-
	934,274	124,398
Total debtors	6,827,342	5,245,191

12 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	3,823,887	3,357,325
Corporation tax	15,485	203,790
Other taxation and social security	609,723	502,621
Accruals and deferred income	2,504,310	178,374
	6,953,405	4,242,110

13 Creditors: amounts falling due after more than one year

	2018	2017
	£	£
Other creditors	164,724	59,620

14 Provisions for liabilities

	Notes	2018	2017
		£	£
Deferred tax liabilities	15	31,314	6,972

15 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2018	Liabilities 2017
Balances:	£	£
Accelerated capital allowances	31,314	6,972

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

16 Retirement benefit schemes

	2018	2017
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	189,588	191,105

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 Share capital

	2018	2017
	£	£
Ordinary share capital		
Issued and fully paid		
100 Ordinary shares of £1 each	100	100
	100	100

18 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2018	2017
	£	£
Aggregate compensation	1,354,282	1,137,764

Transactions with related parties

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

	Rental costs	
	2018	2017
	£	£
Entities with control, joint control or significant influence over the company	22,253	50,000

	2018	2017
Amounts owed to related parties	£	£
Entities with control, joint control or significant influence over the company	-	1,510,000

All amounts are interest free and payable on demand.

19 Controlling party

Throughout the previous year and up to 3 July 2018, the ultimate and immediate parent company, holding 100% of the issued share capital, was McArdle Holdings Limited, a company registered in England and Wales.

On 3rd July 2018 McArdle Sport-Tec Holdings Limited, a company registered in England and Wales, became the ultimate and immediate parent company, holding 100% of the issued share capital.

There was no one controlling party of McArdle Holdings Limited or McArdle Sport-Tec Holdings Limited during the previous and current year.

J McArdle and K Sands are directors of the ultimate parent company.