Ian Williams (Holdings) Limited

# Annual Report 2022


ian williams


*"Our continued investment with a focus on sustainable outcomes places Ian Williams in a strong position to further increase its position as a leading service provider to the built environment."*

Andy Havard, *Managing Director*

Annual Report 2021 - 2022

Ian Williams (Holdings) Limited

Annual report and consolidated financial statements
for the year ended 3 April 2022

Company Registered Number: 370249

# Contents



ian williams

# Strategic Report

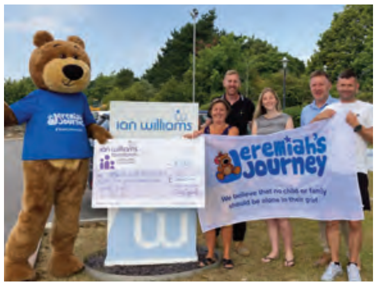
## Who we are

One of the UK's largest privately owned property services companies, Ian Williams is a leader and pioneer in its field, at the forefront of delivering innovative planned and responsive services to the built environment.

## What we do

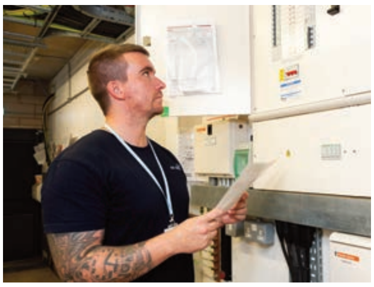
Ian Williams has a strategy of directly delivering its services wherever possible, recognising that it's our people who define and shape our organisation and sustain growth.

This strategy has been acknowledged by We Invest In People, who awarded Ian Williams the Gold Standard in recognition that it's a 'great place to work.' The group has also been awarded PwC's West of England Business of the Year and is the proud holder of RoSPA (Royal Society for the Prevention of Accidents) President's Awards and we have twice won the NHMF (National Housing Maintenance Forum) Best Apprentice Scheme of the Year for our Academy. We enjoy long-term relationships with customers across both the public and private sector and work alongside many leading industry bodies in our fields.



# Our Services



## Planned Maintenance and Capital Works

Ian Williams has a proven track record in refurbishment and extensions, structural alterations, adaptations and home improvements. From inception to completion, our specialist teams, with significant experience of working in occupied properties, ensure the focus is always on quality, safety, customer satisfaction and value for money.

## Whole House Retrofits

From decarbonising homes to installing fire safety measures our teams have the necessary qualifications and experience to retrofit existing homes. We are also investing in the future skills needed to meet 'net zero' targets including Retrofit Coordinators. Working collaboratively with our customers we are already delivering on carbon reduction targets and tackling fuel poverty.

## Painting and Cyclical Decorations

As one of UK's largest providers of painting services, we are well placed to implement the latest sustainable innovations in products and applications, underpinned by partnerships with leading manufacturers including AkzoNobel, Crown Paints and PPG. We have won 51 National Painting and Decorating Association awards for projects across multiple markets.

## Responsive Repairs and Maintenance

Ian Williams is an industry leader in the provision of responsive repairs services. This is supported by our national call centre 'iwhub', based in Birmingham, which manages over 180,000 repair requests each year. Our services include property repairs, void works, heating system services including gas installations, electrical testing and a range of compliance services. Using best in class technology combined with our unique software solution we are able to integrate our systems with our customers' to improve the quality of asset data and provide a seamless service for residents.

## Building Safety

Ian Williams has a proven track record in passive fire protection works for a wide range of public and private sector clients. Our directly employed teams provide a competent and accredited service, supported by a network of independent Fire Risk Assessors and rigorous, compliance audit and inspection routines. We can provide advice on specification issues and partner with market leading suppliers to deliver tested solutions.

Ian Williams is third-party accredited by IFC to deliver fire door/door set replacements and fire stopping to service penetrations. We are also members of ASFP (Association of Specialist Fire Protection).

# Our Markets

## Social Housing

Working alongside many of the UK's leading housing providers and social landlords, we understand the key drivers to achieve outstanding levels of service for residents, clients and communities.

## Retirement Living

We provide asset management and maintenance services specifically tailored to retirement living communities in both the private and public sector, including care homes, assisted living and managed facilities as well as carrying out adaptations to people's homes.

## Education

From primary schools to universities, classrooms to student accommodation, we specialise in finding innovative ways to maintain and improve educational facilities in both the private and public sectors.

## Commercial

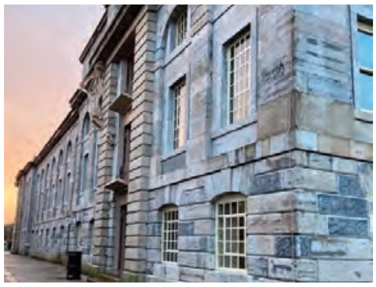
Our vision is to be a partner of choice when it comes to asset management of commercial properties including hotels, offices, leisure facilities, retail centres and industrial parks.

## Major and Complex Loss

We work directly for many large insurers, claims professionals and commercial clients, where buildings have been damaged through fire, smoke, flood or storms.

## Public Amenities and Building

We provide reactive and planned maintenance services to over 1,000 public amenities and buildings each year, across a large range of clients including local authorities, district councils, defence establishments and education and health trusts.




# Our Customers

Anchor, Teign Housing, Stonewater, Wiltshire Council, Wrexham County Borough Council, East Devon District Council, Longhurst Group, West Kent Housing Association, Framework Housing Association, Aspire Defence Services Limited, Brent Co-efficient, Accent, Metropolitan Thames Valley Housing Trust, Waverley Borough Council, Midland Heart, Riverside Group, Care UK, Hyde Housing, Honeycomb Group, Curo, Shepherds Bush Housing Association, University of Cardiff, Plymouth Community Homes, Pobl Group.

# Our Accreditations

- We Invest in People Gold
- CHAS
- Safe Contractor
- Constructionline Gold
- ACDC
- British Safety Council
- Green Accord
- RoSPA
- ISO9001:2015
- Gas Safe
- NICEIC
- OFTEC
- IFC Certification (UKAS)
- The Building Safety Group
- Environment Agency Waste Transfer License
- Cyber Essentials
- PAS2030: 2019
- Construction Skills Certification Scheme
- FENSA

# Ian Williams Service - Profit Chain and Strategic Plan

The fundamental principle that supports our unique business philosophy is founded on the Service-Profit Chain. In essence, the creation of an industry leading financial performance is driven by a belief that our infrastructure and people is what makes us successful and unique.

This creation and continued investment in industry leading infrastructure that includes systems, processes, and workplaces, enables our colleagues to be productive and to provide exceptional customer service. Our People are the drivers of our success, this has and will always be the key focus of our organisation above all else. We know that our 'happiest' customers work with our most empowered and engaged teams and. of course, this leads to a financial performance that is exceptional compared with our peers.

The Ian Williams way is backed up by Key Performance Indicators (KPIs) and Performance Indicators (PIs) that are regularly reviewed by our leadership team to ensure we remain on target.

**Service-Profit Chain**

| Infrastructure | People | Customers | Finance |
|---|---|---|---|
| **KPI** | **KPI** | **KPI** | **KPI** |
| • H&S<br>• Compliance | • eNPS<br>• Vacancies | • NPS<br>• Order Book | • NP%<br>• Debtor Days |
| **PI** | **PI** | **PI** | **PI** |
| • iway & iweb<br>• Infrastructure<br>• Digitalisation<br>• Workspaces<br>• Sustainability | • Churn Rate%<br>• LOS<br>• Appraisals %<br>• Sales/employee<br>• Applications to Employment %<br>• Training days<br>• Gender Pay Gap | • Compliments & Complaints<br>• Revaluation %<br>• Key Account Management<br>• Social Value | • GM%<br>• Unit O/H %<br>• Central O/H %<br>• Sales v Budget<br>• WIP% |

Our Strategic Plan is founded upon this principle and summarised within five key components which include the following themes:

**Environment** – our processes and systems, digital strategy and workspaces.

**People** – skills and training, engagement, behaviours and the creation of a high performance culture.

**Customer** – customer centricity, advocacy and loyalty.

**Products** – product specific skills, market and geographic expansion.

**Financials** – sales and margin growth, cash generation and order book.

On pages 13-21 we have provided a detailed update on our action and progress against the key components of our strategy.

# Values, Vision and Mission

Our purpose defined by our values, vision and mission is as follows:

## Our Values

To carry out work with honesty, commitment and integrity, behaving to others as we would wish them to behave to us, and to be a good employer who offers safe working conditions, the opportunity to fulfil potential and achieve fair reward.

## Our Vision

To be the preferred property services partner who adds value, commitment and innovation through a locally employed and engaged workforce, leading to sustainable growth and profit.

## Our Mission

A company loved by its employees and customers.

# Market Conditions

Over the last twelve months the market has begun to recover positively from the pandemic and developed new ways of working built upon the many innovations developed during COVID-19. Although the risk and impact of COVID-19 within the market is receding, a number of new risks are emerging that will present challenges for landlords, suppliers and service providers today and for the foreseeable future.

These key risks include the impact of skills shortages, inflation, building compliance, climate change, energy costs and the continuing impact of Brexit. The conflict between Russia and Ukraine is also destabilising the energy markets and this will have a long-term impact upon fuel and materials supply and cost.

The market, like many others in the UK economy, is heavily reliant upon a skilled workforce. Within the construction industry the average age of employees is 58 and many are now retiring from the sector or reducing their hours of work. Many operatives living in the UK from European Union Member States left the United Kingdom following our withdrawal from the European Union on 31 January 2020 and although some are seeking to return, tighter immigration regulations are restricting our ability to increase capacity. This combined with a sector that has traditionally not invested in Apprenticeships and Traineeships at a sufficient level, even to replace those retiring, has meant that the impact of skills shortages is now acute. This in turn is resulting in considerable wage costs rises and as a consequence, price inflation, particularly for services heavily dependent upon labour.

Another key element of current price inflation is the significant increase in material costs. This is the result of the combined effect of four issues. Firstly, factory production has not returned to pre-COVID-19 levels due to business failures and more recently poor weather in the Southern States of the USA and Scandinavia affecting world supplies of cementitious products and timber. Secondly, stock holding levels have been reduced to improve manufacturer liquidity and adopt ‘just in time’ processes. Thirdly, we have seen continued congestion at UK and EU ports due in part to post-Brexit import restrictions and administration and also the Suez Canal blockage that disrupted container logistics throughout the world in 2021. Finally, product manufacturing is heavily influenced by energy costs and therefore recent increases arising from the conflict between Russia and Ukraine are now being passed down the supply chain. The consequence of production cost rises and supply being unable to meet demand has resulted in price increases of 10-25% with some specialist products e.g. fire doors rising by 50%.

# Market Conditions (continued)

The Building Safety Bill received Royal Assent on 28th April 2022. This now places in statute a landlord's responsibility to ensure homes in particular are 'fit for habitation' and are safe to live in. An immediate pressure now exists to ensure all stock condition surveys are completed or data is validated and corrected. Insufficient compliance and stock data is resulting in increased disrepair claims throughout the sector. In response budgets are being diverted from Capital allocations to ensure investment is taking place where needed.

The housing sector is slowly responding to the decarbonisation agenda and the UK Government's Energy White Paper 'Powering our Net Zero Future' published in December 2020. It is now evident that investment in housing will be significantly more than the predicted £100bn and some estimates are now suggesting a figure nearer to £200bn. Home Energy Performance Surveys are now being undertaken however it is unlikely these will be completed before 2024. The skills shortages identified above mean that the delivery of this investment by 2050, which is at a level never seen before, is now at risk.

Public sector procurement processes are under review and the UK Government's Green Paper 'Transforming Public Procurement' has been responded to by the sector. Largely supported, this will reduce waste within the supply chain and support the reduction of administration that can be re-invested in the housing stock. The Government's response to the consultation process suggests that any new public procurement regime is unlikely to come into force until 2023 at the earliest.

In summary, the market in which Ian Williams operates has recovered from the Pandemic and is now experiencing capacity pressure combined with significant price increases. This is placing significant demands upon customer budgets and the need to ensure funding is maintained for building safety and compliance works as a priority. Housing demand remains high and investment is continuing in the construction of new housing as well as improvements to the existing stock.

# Business Overview

This year Ian Williams has significantly grown its potential order book to £451m along with an improved secured position for the following trading year. Both are at historically record levels. Our capacity returned to pre-COVID levels 18 months ago and with significantly more recent growth we are continuing to invest in our resources to build future capacity. The opportunity pipeline now exceeds £200m and is growing ahead of our anticipated growth profile resulting in the greater selection of contracts that are aligned with our culture, values and behaviours. The longevity of contracts is also increasing which is supporting an organisation committed to the direct employment of its workforce.

Our strategy of significant investment in skills training and apprentices is offsetting many of the market risks identified above. Our apprenticeship programme that is supporting 10% of our workforce compared with a construction sector average performance of less than 1%. This investment is enabling the organisation to meet growing resource demands internally. We have also placed a greater emphasis on retention and employee welfare, including hybrid working for office based colleagues. The success of this is measured through regular Employee Opinion Surveys and Communication Events. The introduction of bi-annual performance reviews and a profit share scheme has had a positive effect.


The securing of several major long-term contracts has resulted in an increase in our workforce as a consequence of the Transfer of Undertakings (Protection of Employment) TUPE legislation. This has been positively viewed by our new colleagues and reduced the risk of labour shortages.

Over the last 5 years the Ian Williams Foundation has supported over 100 charities with over £100,000 being donated in the period.  As part of the Foundation and supported by additional employee and supply chain charitable fundraising we donated £75,000 to The Trussell Trust this year.

The predictability of future revenue, earnings and cash has improved during the year and places Ian Williams in a strong position to increase its position as a leading service provider to the built environment.

# Delivering our Strategic Key components

## Environment

| Strategic Objective | Action |
|---|---|
| Simplifying and documenting processes to achieve consistency | • Investment in the rationalisation of our business processes is ongoing<br>• New systems are now in place to manage health & safety, customer relationships (supported by a CRM solution) and employee services that are reducing the 'cost of service' and achieving greater consistency and compliance<br>• Process training is now online providing a demand led environment for knowledge creation |
| Digitalisation | • We continue to invest in the IW ROC that supports our responsive repairs service and allows digital integration with our customers' housing maintenance systems<br>• The expansion of the resident 'self-serve' environment is at an early stage however the future proofing of our systems to permit enhanced consumer services in ongoing<br>• Removal of paper-based systems and processes |
| Centralisation and efficiency of support services | • We invested in data processing to increase efficiency and reduce process waste<br>• Further investment in our intranet iweb is ongoing and will lead to a 'connected' workplace |
| Providing high quality workspaces | • We invested £140,000 in virtual workspaces and hybrid technology<br>• We have provided flexible working environments for our staff. Ensured that all site-based welfare and office facilities are best in class |

# Delivering our Strategic Key components

## People

| Strategic Objective | Action |
|---|---|
| Direct employer of key trade skills in all products | • Our trade workforce increased by over 20% in the period between April 2021 and March 2022<br>• We are currently investing in employee recruitment, apprenticeships and traineeships. We employed 47 apprentices that began their careers with Ian Williams during this period<br>• We also recruited nine trainee surveyors and two trainee bid writers<br>• We are investing in upskilling required to improve the safety of buildings and decarbonising existing homes<br>• Sales per employee remains constant in line with growth |
| Achieving high levels of employee engagement, measured via eNPS | • We undertook a pulse survey to assess the health and wellbeing of our colleagues during the period.<br>• Our eNPS score was +33 considered 'Good' by world standards |
| A focus on behaviours that lead to sustainable performance | • A behavioural framework has been established and used for recruitment, colleague performance reviews and training |
| Creating an accountability / high performance culture | • Provided for the first time in 2021/22 a Profit Share Scheme<br>• Every colleague attended a communication day focusing on teamwork and accountability<br>• Team charters are in place for both functional and operational teams<br>• We embedded our behavioural framework incorporated within the PR process<br>• Created a coaching environment within which our General Managers operate |

# Delivering our Strategic Key components

## Customer

| Strategic Objective | Action |
|---|---|
| Creating a customer centric culture - putting the customer first | • We introduced a simpler behavioural framework for all employees to support the creation of a customer centric culture<br>• The four customer service behavioural elements are; keep your promises, be the best, listen first, and always provide solutions. The promotion of the framework has been exhaustive across all colleague communication channels |
| Customer advocacy, measured by NPS | • We completed the annual customer service survey in May 2022<br>• Our NPS score was +35 considered 'Good' by world standards |
| Improved customer loyalty leading to revenue growth and profitability | • We have introduced a Key Account Management (KAM) pilot project for our major customers to drive improvements in service, loyalty and advocacy<br>• The results show that revenue is increasing as a consequence |

# Delivering our Strategic Key components

## Products

| Strategic Objective | Action |
|---|---|
| Delivering via product specific skills | • We continue to invest in training and skills via our award winning Academy<br>• Investment is taking place in upskilling relating to fire safety works and decarbonisation e.g. Retrofit Coordinators |
| Growth through additional geographic locations | • We are opening a new office in Frimley as a result of a new contract with Accent Housing<br>• The tender pipeline includes opportunities requiring new operating locations in South London<br>• We have opened a new office in Rochdale as a result of the acquisition of E.R. Williams Limited |
| Market expansion | • Decarbonisation – we are PAS 2030 accredited and are investing in Retrofit Coordinators. Although sales volumes for elemental measures are small we are working closely with our customers in supporting the mobilisation of their greener homes investment plans<br>• Fire Safety – we are UKAS accredited (IFC Certificated) to undertake building safety works e.g. passive fire protection. There has been significant sales growth during the period and the pipeline of opportunities is strong. Resource capacity is being increased via recruitment and training of our workforce |
| Adding products in existing locations – 'filling the gaps' | • We have 'infilled' our product delivery capability primarily by providing new services to existing long-term customers<br>• The addition of new products, particularly planned works, into new locations will take place under the contract provisions within our existing and new major response maintenance and asset management contracts |

# Delivering our Strategic Key components

## Financials

| Strategic Objective | Action |
| --- | --- |
| Profitable growth – sales and margin | • The company traded profitably in 2021/22. Commercial appraisals of new work reduce the risks of new work being unprofitable |
| Cash generative to benefit all stakeholders | • Tight working capital management resulted in debtor days of 35 well below our target of 50 |
| Order Book Stability | • The order book totals £317m with a further £134m of optional contract extensions providing a potential order book of £451m<br>• The longevity of contracts within the opportunity pipeline are increasing and this will improve what is already a stable position |

# Section 172 Statement

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

The Board and individual Directors consider that they have acted in accordance with the values of Ian Williams and taken decisions to best support the growth and success of the organisation as well as its stakeholders.

In considering how the obligations of Section 172 have been met, we have identified our key stakeholders which include colleagues and the communities in which they work, our customers, supply chain partners, the many third sector organisations we support, and our shareholders.

The material issues for our stakeholders are identified in the following table together with a summary of how we have considered them in the decision making process together with their engagement throughout the year.

# Section 172 Statement

| Stakeholders | Principle risks and uncertainties | How we are managing and mitigating them | Action we have taken |
|---|---|---|---|
| **Our Colleagues** | • The UK's employment market is under intense pressure with increasing competition for skilled people<br>• The construction sector is not perceived as an attractive market to work in and is competing with other sectors for a finite resource<br>• The sector has a reputation for poor levels of training, career opportunities and working conditions<br>• The construction industry's customer service performance is lowest quartile compared with other UK sectors (Institute of Customer Service) | • Developing skills through training<br>• Providing Apprenticeship and Traineeship opportunities<br>• Creating engaged and high performing teams<br>• Ensuring that every colleague loves working for Ian Williams<br>• Creating a customer centric culture | • Employed 47 Apprentices, currently 11% of the workforce are trainees<br>• The Academy oversaw 1,170 days of training<br>• Investment in self-serve online digital learning<br>• ILM Training for Managers<br>• Collaboration with Cranfield Business School for Leadership training<br>• Contracts Manager training programme<br>• Product specific on the job training<br>• Annual Employee Opinion Surveys including eNPS<br>• Annual Employee Communication Days<br>• Weekly COVID-19 briefings<br>• Production of employee magazine 'Inside View' |

# Section 172 Statement

| Stakeholders | Principle risks and uncertainties | How we are managing and mitigating them | Action we have taken |
|---|---|---|---|
| **Our Customers** | • Building owners are under increasing scrutiny to deliver value for money sustainably<br>• The housing sector continues to consolidate in order to deliver efficiency savings<br>• Some customers are reducing cost and driving increased efficiencies through multi-service contracts<br>• Tenants' rights are being strengthened as the new 'Charter for Social Housing Residents' comes into force | • Create an environment in which every customer is an advocate<br>• Ensure every customer remains loyal and seeks to deliver all services with us<br>• Ensure we are a trusted partner that provides solutions to achieve mutual growth<br>• Strive to continuously improve and learn from our mistakes<br>• Deliver high levels of service to residents that meet and exceed their expectations | • Annual Customer Service questionnaire and report<br>• NPS measurement of service<br>• Compliments and Complaints process<br>• Customer centric behavioural framework<br>• Contract revaluation measurement<br>• Contract renewal and extension conversion rate remains high<br>• CRM investment driving relationship and customer visibility across the organisation<br>• Pilot Key Account Management project |
| **Our Communities and Environment** | • The 'levelling up' agenda seeks to ensure that all communities reach the same quality standards, there is an increased focus on how the private sector is contributing to this<br>• Carbon reduction and the requirement to reduce carbon emissions will increase significantly in the future<br>• There is an increasing focus on our triple bottom line by customers (People, Planet and Profit) | • Committing to local investment in employment, skills and training<br>• Create enhanced local places that are sustainable<br>• Minimise the impact we have on the environment<br>• Supporting projects that improve the lives and wellbeing of local people | • All employees are recruited from within the communities we work<br>• Investment in a local office infrastructure for contract delivery<br>• Locally based teams that minimise the requirement for travel<br>• Monitoring of waste disposal and the diversion of materials from landfill<br>• Reduction in energy consumption through investment in greener technology |

# Section 172 Statement

| Stakeholders | Principle risks and uncertainties | How we are managing and mitigating them | Action we have taken |
|---|---|---|---|
| **Our 'Third Sector' partners** | • The MLUHC is increasing its focus on compliance with Public Services (Social Value) Act within the housing sector<br>• Potential and current employees are increasingly demanding that their employers deliver quality social value | • Our Foundation has been established to fund colleague sponsored projects within the communities we work and assist the work of charities and voluntary groups | • The Foundation supported over 60 projects<br>• Appointment of a Social Value Manager to oversee our community investment plans<br>• Work experience and career advice for local schools and colleges<br>• Collaboration with 1625ip homelessness charity<br>• Raised £75,000 for The Trussell Trust through a number of activities |
| **Our Shareholder** | • Our shareholder requires the Directors to ensure that the organisation delivers sustainable profits and that the organisation is protected from short-term market volatility<br>• The predictability of financial performance is increasingly important | • Deliver a fiscally sustainable business built upon growth, profitability and cash generation<br>• Operate within markets that are able to withstand economic uncertainty, volatility and remain sustainable in the long-term | • Day-to-day management from a highly qualified leadership team<br>• Quarterly Performance Reviews of each business unit and product undertaken by the Directors<br>• Monthly leadership team review of detailed business performance<br>• Establishment of the Key Strategic Components and 3 year plan<br>• Defining strategic KPIs and monitoring performance against them |

By Order of the Board

D M Sewell
Company Secretary
19 October 2022

# Directors' report

The directors present their report and the audited financial statements of the group for the year ended 3 April 2022. The comparative period included in these financial statements is the 17 month period ended 4 April 2021.

**Principal activities**
The principal activity of the group is that of building and property services conducted solely within the United Kingdom and is considered to represent one class of business.

**Future developments**
The directors forecast that the business will continue to perform profitably in the foreseeable future.

On 5th April 2022, the Group agreed to purchase 100% of the share capital of ER Williams (Painting Contractors) Ltd. The consideration paid in respect of the acquisition was £2.4m.

**Dividends**
A dividend of £3,000k (£3,000 per £1 ordinary share) was paid during the period in respect of the 12 months ended 3 April 2022 (2021: £1,000k). The directors do not recommend the payment of a final dividend (2021: none).

**Directors**
The directors of the group who were in office during the period and up to the date of signing the financial statements except where indicated were:

A Havard
D Sewell
R Williams

**Going concern**
The worst of the global pandemic appears to be over and whilst economic conditions continue to be uncertain there is a strong demand for the group's services. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current bank facilities, through which the group meets its day-to-day working capital requirements. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

**Employment policy**
The group is committed to employment policies, which follow best practice, based on equal opportunities for all employees and in accordance with all protected characteristics. The group gives full and fair consideration to applications for employment for disabled persons, having regard to their aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the group. If members of staff become disabled the group continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

**Employee involvement**
Ian Williams (Holdings) Limited recognises that its greatest assets are its people. The group consults with employees to explain policy decisions which affect their interests and to take their views into account. Regular information is provided by various means.

# Directors' report (continued)

**Business relationships with customers, suppliers and others**
The group values and targets strong relationships with its trading partners as these are essential for the continued successful delivery of the group's services.

**Third party indemnity provisions**
The group maintained appropriate insurance cover in respect of Directors' and Officers' liabilities throughout the period.

**Streamlined Energy and Carbon Reporting (SECR)**
In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, the directors have included the group's energy emissions below. The Emissions reported upon are:

Scope 1 (Direct emissions): emissions relating to direct combustion of natural gas and fuels utilised for our group vehicles and heating of our offices.

Scope 2 (Indirect emissions): emissions relating to indirect emissions relating to the consumption of purchased electricity in powering our offices.

Scope 3 (Other indirect emissions): emissions relating to business travel in rental cars or employee-owned vehicles where the group is responsible for purchasing the fuel.

| | **12 months to 3rd April 2022** | | **17 months to 4th April 2021** | |
|---|---|---|---|---|
| | **tCO2e** | **kWh** | **tCO2e** | **kWh** |
| **Scope 1** | | | | |
| Fuel | 2,778 | 11,761,715 | 3,181 | 13,260,085 |
| Gas | 23 | 127,390 | 43 | 232,990 |
| **Scope 2** | | | | |
| Electricity | 32 | 151,114 | 46 | 197,819 |
| **Scope 3** | | | | |
| Fuel | 19 | 81,460 | 13 | 54,198 |
| **Total** | **2,852** | **12,121,679** | **3,283** | **13,745,092** |

**Intensity Ratios**

| | | |
|---|---|---|
| tCO2e/£1m sales | 31.1 | 31.5 |
| tCO2e/employee | 2.9 | 2.7 |

The emission data has been calculated in line with the 2019 UK Government Environmental Reporting guidance using data from the group's fuel bills.

The group is pleased that the intensity ratios for the trading period are similar to the previous 17-month period which included a three-month period of shutdown. The main component of our $CO_2$ emissions is transport related. Improvements continue to be made on the car fleet with more hybrids and the introduction of our first fully electric vehicles in the period. The adoption of hybrid working and use of technology to avoid unnecessary travel continues to reduce the miles driven. The commercial fleet is a bigger challenge and is not all within the group's control with the access to a suitable and available charging infrastructure a key issue. We have worked with our fleet providers to identify suitable electric vehicles and trials have commenced. Depending on the results of these trials the group is hopeful of being able to place its first large scale order of fully electric commercial vehicles.

## Directors' report (continued)

### Directors' responsibilities statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 group and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group transactions and disclose with reasonable accuracy at any time the financial position of the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to auditors**
In the case of each director in office at the date the Directors' Report is approved so far as the director is aware, there is no relevant audit information of which the group's auditors are unaware; and they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**Independent auditors**
The auditors, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**By Order of the Board**

D M Sewell
**Company Secretary**
19 October 2022

# Ian Williams (Holdings) Limited

# Independent Auditor's report to the members of Ian Williams (Holdings) Limited

## Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 3 April 2022 and of the Group's 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

We have audited the financial statements of Ian Williams (Holdings) Ltd ("the Parent Company") and its subsidiary ("the Group") for the year ended 3 April 2022 which comprise the Consolidated statement of comprehensive income, the Consolidated balance sheet, the Consolidated statement of changes in equity, the Consolidated cash flow statement, the Company balance sheet, the Company statement of changes in equity, and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

**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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**
We are independent of the Group and the Parent 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.

**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 Group or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

**Other information**
The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and the financial statements, 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.

# Independent Auditor's report to the members of Ian Williams (Holdings) Limited (continued)

**Other information (continued)**
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.

**Other Companies Act 2006 reporting**
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.

In the light of the knowledge and understanding of the Group and Parent 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the Parent Company 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 Statement of Directors Responsibilities, 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 Group's and Parent 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 Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

## Independent Auditor’s report to the members of Ian Williams (Holdings) Limited (continued)

**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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- obtaining an understanding of the legal and regulatory frameworks that are applicable to the Group and Parent Company. These include, but are not limited to, compliance with the Companies Act, United Kingdom Generally Accepted Accounting Practice and tax legislation.
- making enquiries of management of the Group policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- reviewing minutes of the board of directors in order to identify any instances of fraud or non-compliance with laws and regulations.
- making enquires of other personnel with roles relevant to compliance with laws and regulations.
- assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur in the financial statements and any potential indicators of fraud. We identified potential for fraud in the following areas and performed the following procedures:
    - management override of controls: we evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates and judgements. Audit procedures performed included:
        - challenging assumptions made by management in their significant accounting estimates in particular in relation to valuation of investment properties, defined benefit pension scheme, intangible assets, provisions and the recognition of deferred and accrued income;
        - identifying and testing journal entries, in particular any journal entries to revenue which are not in line with expectations and reviewing journal entries for journals inconsistent with the usual transactions.

## Independent Auditor's report to the members of Ian Williams (Holdings) Limited (continued)

Extent to which the audit was capable of detecting irregularities, including fraud (continued)

- revenue recognition: application of cut off at, and measurement of accrued income to, and deferred from, the year-end. We reviewed transactions pre and post year end to check that the associated revenue is reflected in the correct period.
- communicating relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.
- Unpredictability tests to check for duplicated bank details between employees and suppliers, confirmation duplicate employee bank details and a specific investigation of large superuser status journals.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.
A further description of our responsibilities is available on the Financial Reporting Council's website at: https://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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Heather Wheelhouse

Heather Wheelhouse (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Bristol, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

## Ian Williams (Holdings) Limited

## Consolidated statement of comprehensive income for the year ended 3 April 2022

| | Note | **2022** **£000s** | 17 months 2021 £000s |
|---|---|---|---|
| **Turnover** | 5 | **91,919** | 104,259 |
| Cost of sales | | **(67,336)** | (78,933) |
| Other operating income | 6 | **-** | 3,098 |
| **Gross profit** | | **24,583** | 28,424 |
| Administrative expenses | | **(22,099)** | (28,709) |
| Other operating income | 6 | **275** | 1,640 |
| **Operating profit** | 7 | **2,759** | 1,355 |
| Interest receivable and similar income | 9 | **1** | 67 |
| Net interest expense on post-employment benefits | 23 | **(73)** | (110) |
| **Profit before taxation** | | **2,687** | 1,312 |
| Tax on profit | 10 | **(524)** | (184) |
| **Profit for the financial year** | | **2,163** | 1,128 |
| | | | |
| Re-measurement of net defined benefit obligation | 23 | **3,695** | (489) |
| Movement on deferred tax relating to pension surplus/deficit | 20 | **(683)** | 93 |
| Movement on deferred tax relating to revaluation | | **(84)** | (8) |
| **Other comprehensive income / (expense) for the period net of tax** | | **2,928** | (404) |
| **Total comprehensive income for the period** | | **5,091** | 724 |

# Ian Williams (Holdings) Limited

## Consolidated balance sheet as at 3 April 2022

| | Note | 2022 £000s | 2021 £000s Restated |
|---|---|---|---|
| **Fixed assets** | | | |
| Intangible assets | 12 | **1,365** | 529 |
| Tangible assets | 13 | **4,538** | 4,396 |
| | | **5,903** | 4,925 |
| **Current assets** | | | |
| Stocks | 16 | **599** | 333 |
| Debtors | 17 | **19,399** | 18,213 |
| Cash at bank and in hand | | **13,060** | 17,697 |
| | | **33,058** | 36,243 |
| **Creditors – amounts falling due within one year** | 18 | **(16,755)** | (17,413) |
| **Provisions for liabilities** | 19 | **(782)** | (782) |
| **Net current assets** | | **15,521** | 18,048 |
| **Total assets less current liabilities** | | **21,424** | 22,973 |
| Pension asset / (liability) | 23 | **50** | (3,790) |
| **Net assets** | | **21,474** | 19,183 |
| **Capital and reserves** | | | |
| Called up share capital | 21 | **100** | 100 |
| Revaluation reserve | | **621** | 421 |
| Retained earnings | | **20,753** | 18,662 |
| **Total equity** | | **21,474** | 19,183 |

The financial statements on pages 29 to 53 were approved by the board of directors on 19 October 2022 and were signed on its behalf by:

A Havard
**Director**
19 October 2022

The notes on pages 34 to 53 form part of these financial statements.

**Ian Williams (Holdings) Limited:** **Registered no. 00370249**

# Ian Williams (Holdings) Limited

## Company balance sheet
## as at 3 April 2022

| | Notes | 2022<br>£000s | 2021<br>£000s<br>Restated |
|---|---|---|---|
| **Fixed assets** | | | |
| Tangible assets | 14 | **3,780** | 3,453 |
| Investments | 15 | **1,036** | 1,036 |
| | | **4,816** | 4,489 |
| **Current assets** | | | |
| Debtors | 17 | **7** | 138 |
| Cash at bank and in hand | | **3,447** | 4,880 |
| | | **3,454** | 5,018 |
| Creditors – amounts falling due within one year | 18 | **(232)** | (128) |
| **Net current assets** | | **3,222** | 4,890 |
| **Total assets less current liabilities** | | **8,038** | 9,379 |
| **Net assets** | | **8,038** | 9,379 |
| **Capital and reserves** | | | |
| Called up share capital | 21 | **100** | 100 |
| Closing retained earnings | | **7,938** | 9,279 |
| **Total equity** | | **8,038** | 9,379 |

The financial statements on pages 29 to 53 were approved by the board of directors on 19 October 2022 and were signed on its behalf by:

A Havard
**Director**
19 October 2022

The notes on pages 34 to 53 form part of these financial statements.

**Ian Williams (Holdings) Limited: Registered no 00370249**

# Ian Williams (Holdings) Limited

## Consolidated statement of changes in equity for the year ended 3 April 2022

| | Called up share capital | Retained earnings | Revaluation reserve | Total Equity |
|---|---|---|---|---|
| | £000s | £000s | £000s | £000s |
| Balance at 3 November 2019 | 100 | 18,930 | 429 | 19,459 |
| Profit for the 17-month period | - | 1,128 | - | 1,128 |
| Other comprehensive expense for the 17-month period | - | (404) | - | (404) |
| Total comprehensive income for the year | - | 724 | - | 724 |
| Transfer | - | 8 | (8) | - |
| Revaluation | - | - | - | - |
| Dividends | - | (1,000) | - | (1,000) |
| **Balance at 4 April 2021** | **100** | **18,662** | **421** | **19,183** |
| **Profit for the year** | **-** | **2,163** | **-** | **2,163** |
| **Other comprehensive income for the year** | **-** | **2,928** | **-** | **2,928** |
| **Total comprehensive income for the Year** | **-** | **5,091** | **-** | **5,091** |
| Revaluation | - | - | 200 | 200 |
| Dividends | - | (3,000) | - | (3,000) |
| **Balance at 3 April 2022** | **100** | **20,753** | **621** | **21,474** |

## Company statement of changes in equity for the year ending 3 April 2022

| | Called up share capital | Retained earnings | Total Equity |
|---|---|---|---|
| | £000s | £000s | £000s |
| Balance at 3 November 2019 | 100 | 10,128 | 10,228 |
| Profit and total comprehensive income for the year | - | 159 | 159 |
| Dividends | - | (1,000) | (1,000) |
| Revaluation | - | (8) | (8) |
| **Balance at 4 April 2021** | **100** | **9,279** | **9,379** |
| Profit and total comprehensive income for the year | **-** | **1,743** | **1,743** |
| Other comprehensive income for the year | **-** | **(84)** | **(84)** |
| **Total comprehensive income for the year** | **-** | **1,659** | **1,659** |
| Dividends | **-** | (3,000) | (3,000) |
| **Balance at 3 April 2022** | **100** | **7,938** | **8,038** |

# Ian Williams (Holdings) Limited

## Consolidated cash flow statement
## for the year ended 3 April 2022

| | Note | 2022 £000s | 17 months 2021 £000s |
|---|---|---|---|
| **Net cash from operating activities** | 24 | **119** | 1,816 |
| Corporation tax paid | | **(396)** | (309) |
| **Net cash (used) / generated from operating activities** | | **(277)** | 1,507 |
| | | | |
| **Cash flows from investing activities** | | | |
| Purchase of assets | | **(1,362)** | (1,485) |
| Purchase of money market deposits | | **-** | (2,528) |
| Sale of money market deposits | | **-** | 7,838 |
| Interest received | | **1** | 67 |
| **Net cash (used) / generated in investing activities** | | **(1,361)** | 3,892 |
| | | | |
| **Cash flows from financing activities** | | | |
| Dividends paid | | **(3,000)** | (1,000) |
| **(Decrease) / increase in cash in the period** | | **(4,638)** | 4,399 |
| **Cash and cash equivalents at the beginning of the period** | | **17,698** | 13,299 |
| **Cash and cash equivalents at the end of the period** | | **13,060** | 17,698 |

# Notes to the financial statements for the year ended 3 April 2022

## 1. General information

Ian Williams (Holdings) Limited (the company) is the parent company of a group which provides building and property services solely within the United Kingdom. Ian Williams (Holdings) Limited holds the group's property.

The company is a private company limited by shares and incorporated in England & Wales. Its registered office and principal trading address is: Quarry Road, Chipping Sodbury, Bristol, BS37 6JL.

## 2. Statement of compliance

The financial statements of Ian Williams (Holdings) Limited have been prepared in compliance with United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

## 3. Summary of significant accounting policies

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

***Basis of preparation***

The group financial statements have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of freehold land and buildings, and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006. In preparing these financial statements, the parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these financial statements. The parent company's profit for the year was £1,743k (2021: £151k)

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed later in this note.

***Going concern***

The company meets its day-to-day working capital requirements through its bank facilities. The current economic conditions continue to be uncertain and volatile due to the global pandemic however demand for the group's services remains strong and there are no material uncertainties in relation to going concern. The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current bank facilities, through which the group meets its day-to-day working capital requirements. After making enquiries, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its financial statements.

## 3. Summary of significant accounting policies (continued)

**Exemptions for qualifying entities under FRS102**
FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the group's shareholders. The Company has taken advantage of the following exemptions in its individual financial statements: from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the group's cash flows; from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18(c), 26.19 to 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

***Basis of consolidation***
The consolidated financial statements include the results of the company and its subsidiary, Ian Williams Limited. Intra-group sales and profits are eliminated on consolidation. All companies in the group use the same accounting policies.

***Revenue recognition***
Revenue is measured at the fair value of the consideration received or receivable and represents the amount receivable for services rendered, net of returns, discounts and rebates allowed by the group and value added taxes.

The group recognises revenue in the period when the services are provided to the customer and when the amount of revenue can be measured reliably; and it is probable that future economic benefits will flow to the entity.

***Long-term revenue contracts***
Long term contracts are included in turnover on a percentage of completion of costs basis. Any foreseeable losses on contracts are recognised in full when identified. Payments on account in excess of amounts recorded in turnover under certain contracts are separately disclosed within creditors.

The group assesses all material new contracts to ensure that an appropriate revenue recognition basis is adopted.

***Government grants***
Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough') and Construction Industry Training Board (CITB) grant. The group has not directly benefited from any other forms of government assistance.

***Employee benefits***
The group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution and defined benefit pension plans.

*Short term benefits*
Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

## 3. Summary of significant accounting policies (continued)

*Annual bonus plan*
The group operates an annual bonus plan for employees. An expense is recognised in the profit and loss account when the group has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

*Defined contribution pension plans*
The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

*Defined benefit pension plan*
The group's defined benefit plan is closed to new entrants and future accrual. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The asset/(liability) recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability. The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises the cost of benefit changes, curtailments and settlements. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in the profit and loss account as net interest expense on post-employment benefits.

Where, at the reporting date, the present value of defined benefit obligation is less than the fair value of the plan assets the plan has a surplus. The group recognises a surplus in its balance sheet only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan.

## 3. Summary of significant accounting policies (continued)

***Investments in subsidiary undertakings***
Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

***Taxation***
Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

*Current tax*
Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*Deferred tax*
Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when 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 tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

***Investment properties***

Investment property is carried at fair value determined triennially by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

***Intangible assets and amortisation***
Intangible assets are stated at cost less amortisation. Cost includes the original development cost of software and the costs attributable to bringing the asset to its working condition for its intended use. Amortisation is provided on a straight line basis at rates calculated to write off the cost of the assets, less their residual value, over their estimated useful lives, which are:

| | |
|---|---|
| Software | 3-5 years |

## 3 Summary of significant accounting policies (continued)

***Tangible assets and depreciation***

Land and buildings comprise offices held by the company and used by the group. Land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from its carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. All other plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the profit and loss account during the financial year in which they are incurred.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown in the revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged in other comprehensive income; all other decreases are charged to the profit and loss account. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the profit and loss account, and depreciation based on the asset's original cost is transferred from the revaluation reserve to 'retained earnings'.

Depreciation is provided on a straight line basis at rates calculated to write off the cost of the assets, less their residual value, over their estimated useful lives, which are:

| | |
|---|---|
| Freehold buildings | 50 years |
| Plant and machinery | 5 years |
| Fixtures, fittings, tools and equipment | 3-10 years |

***Leased assets***

At inception the group assesses agreements that transfer the right to use assets. The assessment considers whether the arrangement is, or contains, a lease based on the substance of the arrangement.

*Finance leased assets*

Leases of assets that transfer substantially all the risks and rewards incidental to ownership are classified as finance leases.

*Operating leased assets*

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

*Lease incentives*

Incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

### 3 Summary of significant accounting policies (continued)

***Impairment of non-financial assets***

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future pre-tax and interest cash flows obtainable as a result of the asset's continued use. The pre-tax and interest cash flows are discounted using a pre-tax discount rate that represents the current market risk free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

***Stocks***

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first in first out (FIFO) basis. Cost includes the original purchase price of the stocks and the costs attributable to bringing the stocks to its working condition for its intended use. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation.

***Cash and cash equivalents***

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of six months.

**Provisions and contingencies**

*Provisions*

Provisions are recognised when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

*Contingencies*

Contingent liabilities, arising as a result of past events, are not recognised when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

## 3 Summary of significant accounting policies (continued)

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

**Financial instruments**

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

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

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 the profit and loss account.

Financial assets are derecognised when

- the contractual rights to the cash flows from the asset expire or are settled, or
- substantially all the risks and rewards of the ownership of the asset are transferred to another party or
- control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

*Financial liabilities*
Basic financial liabilities, including trade and other creditors and amounts owed to fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

# Ian Williams (Holdings) Limited

# Notes to the financial statements (continued)

**3 Summary of significant accounting policies (continued)**

*Offsetting*
Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle to liability simultaneously.

**Share capital**
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**Distributions to equity holders**
Dividends and other distributions to company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the company's shareholders. These amounts are recognised in the statement of changes in equity.

**Related party transactions**
The company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

**Critical accounting judgements and estimation uncertainty**
Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**Critical accounting estimates and assumptions**
The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

*Provisions for amounts recoverable on contracts*
The group's revenue is generated by entering into contractual relationships with its customers. During the normal course of trading there are instances where differing contract clause interpretations can lead to disputes and settlements during the life of a contract. The group has a valuation policy that the directors consider to be appropriate and that is applied to its contracts which produces the group's best estimate of the contractual position at that particular time. However, the ultimate outcome of any settlement is inherently uncertain and could therefore have an impact on the future results of the group.

*Defined benefit pension scheme*
The group has an obligation to pay pension benefits to members of the defined benefit pension scheme. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the statement of financial position.

*Valuation of investment properties (company) and land and buildings (group)*
The fair value of investment properties/ land and buildings is determined by using valuation techniques. The company and group use an external qualified valuer to support the directors in valuing the properties.

# Notes to the financial statements (continued)

## 4. Prior year adjustment

| Consolidated balance sheet | 2021<br>£000s |
|---|---|
| Debtors | |
| As previously stated | 17,288 |
| Incorrect classification | 925 |
| | 18,213 |
| Creditors | |
| As previously stated | (16,488) |
| Incorrect classification | (925) |
| | (17,413) |

| Company balance sheet | 2021<br>£000s |
|---|---|
| Investment properties | |
| As previously stated | 3,453 |
| Incorrect classification | (3,453) |
| | - |
| Tangible assets | |
| As previously stated | - |
| Incorrect classification | 3,453 |
| | 3,453 |

In the prior year consolidated accounts an error was identified in relation to the note disclosure of tangible fixed assets, whereby investment property in the amount of £655,000 was misclassified as freehold land and buildings. This has now been restated to reflect the part of the building rented to a third party as an investment property. There has been no impact on the net assets of the Group or on profit or loss.

Furthermore, to bring consistency with the consolidated balance sheet and detailed company law formats, investment property line on the face of the company balance sheet has been merged with the tangible fixed assets line. In accordance with FRS 102 section 16, the prior year revaluation reserve has been moved to opening retained earnings. There has been no impact on the net assets of the Company or on profit or loss.

In the prior year, accrued and deferred income balances were netted off in the consolidated accounts. This is now presented, grossed up for accrued income presented in debtors, and deferred income presented in creditors. There is no impact on profit or net assets.

## 5. Turnover

Turnover, which excludes value added tax and discounts, comprises the selling value of work measured during the period. All turnover is generated in the UK. Turnover is recognised when the value of work performed is determinable and collection of the related receivable is probable. If work performed is subject to customer acceptance, turnover is not recognised until the customer acceptance is reasonably assured.

## 6. Other operating income

| | 2022 | 17 months 2021 |
|---|---|---|
| | £000s | £000s |
| UK government's coronavirus job retention support scheme | **-** | 4,425 |
| Construction industry training board grant | **216** | 228 |
| Income from helpdesk services | **59** | 84 |
| | **275** | 4,737 |

There are no unfulfilled conditions or other contingencies attached to the grant income.

## 7. Operating profit

| | 2022 | 17 months 2021 |
|---|---|---|
| | £000s | £000s |
| **Operating profit is stated after charging:** | | |
| Operating lease charges | **3,534** | 4,087 |
| **Services provided by the company's auditors** | | |
| - Fees payable for the audit of the parent company and consolidated financial statements | **12** | 11 |
| - Audit of the company's subsidiary pursuant to legislation | **40** | 40 |
| Tax compliance services | **15** | 15 |
| Loss on sale of tangible fixed assets | **2** | 1 |

Fees payable for the audit of the associated pension scheme were £10k (2021: £10k).

## 8. Employee information

The average monthly number of persons employed by the group (including executive directors) during the period is shown below.

| | 2022 Number | 17 months 2021 Number |
|---|---|---|
| Services | **587** | 578 |
| Administration | **326** | 333 |
| | **913** | 911 |

| | 2022 £000s | 17 months 2021 £000s |
|---|---|---|
| **The aggregate staff costs of these persons were:** | | |
| Wages and salaries | **30,683** | 35,151 |
| Social security costs | **3,019** | 3,989 |
| Other pension costs – defined benefit scheme | **73** | 110 |
| Other pension costs – defined contribution scheme | **990** | 1,461 |
| | **34,765** | 40,711 |

The company employs no employees other than the directors.

### Directors' emoluments

| | 2022 £000s | 17 months 2021 £000s |
|---|---|---|
| Directors' emoluments | **540** | 713 |
| Directors' pension costs | **33** | 55 |
| | **573** | 768 |

Retirement benefits are accruing to three (2021: three) directors under the defined benefit scheme and to three directors (2021: three) under a defined contribution scheme.

| | 2022 £000s | 17 months 2021 £000s |
|---|---|---|
| **Highest paid director** | | |
| **Aggregate emoluments** | **226** | 295 |

The highest paid director had an amount of £53,300 (2021: £49,400) in respect of accrued pension at the end of the year under the defined benefit pension scheme.

### Key Management Personnel

Key management personnel include all directors across the group who together have authority and responsibility for planning, directing and controlling the activities of the group. The total compensation paid to key management personnel for services provided to the group was £783k (2021 £1,038k).

### 9. Interest receivable and similar income

| | **2022** | 17 months 2021 |
|---|---|---|
| | **£000s** | £000s |
| Interest receivable on short term deposits | **1** | 67 |

### 10. Tax on Profit

| **Tax expense included in profit or loss** | **2022** | 2021 |
|---|---|---|
| | **£000s** | £000s |
| **Current tax** | | |
| UK Corporation tax on profits for the year | **478** | 56 |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **51** | 209 |
| Impact of change in tax rates | **(5)** | (81) |
| Tax on profit | **524** | 184 |

| **Tax expense included in other comprehensive income** | **2022** | 2021 |
|---|---|---|
| | **£000s** | £000s |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **766** | (85) |
| Total deferred tax | **766** | (85) |
| **Total tax credit included in other comprehensive income** | **766** | (85) |

***Reconciliation of tax charge***

| | **2022** | 2021 |
|---|---|---|
| | **£000s** | £000s |
| Profit on ordinary activities before taxation | **2,688** | 1,312 |
| Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%) | **511** | 249 |
| Fixed asset differences | **(22)** | 12 |
| Expenses not deductible for tax purposes | **13** | 7 |
| Other permanent differences | **-** | 1 |
| Impact of change in the tax rates | **22** | (85) |
| **Tax charge for the year** | **524** | 184 |

## 11. Dividends

| Equity – ordinary | **2022**<br>**£000s** | 2021<br>£000s |
|---|---|---|
| Interim dividend of £3,000 per ordinary B share (2021: £1,000) | **3,000** | 1,000 |

A dividend of £3,000k (£3,000 per £1 ordinary share) was paid during the period in respect of the 12 months ended 3 April 2022 (2021: £1,000k). The directors do not recommend the payment of a final dividend (2021: none).

## 12. Intangible assets (Group only)

| | **Software**<br>**£000s** | **Assets in the course of development**<br>**£000s** | **Total Intangible assets**<br>**£000s** |
|---|---|---|---|
| **Cost** | | | |
| At 4 April 2021 | 569 | 57 | 626 |
| Cost transfer | 57 | (57) | - |
| Additions | 1,017 | 30 | 1,047 |
| Disposals | - | | - |
| **At 3 April 2022** | **1,643** | **30** | **1,673** |
| **Amortisation** | | | |
| At 4 April 2021 | 97 | - | 97 |
| Charge for the year | 211 | - | 211 |
| Disposals | - | - | - |
| **At 3 April 2022** | **308** | **-** | **308** |
| **Net book value** | | | |
| **At 3 April 2022** | **1,335** | **30** | **1,365** |
| At 4 April 2021 | 472 | 57 | 529 |

Amortisation on intangible assets is charged to administration expenses

## 13. Tangible assets (Group only)

| | Investment properties | Freehold land and buildings | Fixtures, fittings tools, equipment, plant and machinery | Assets in the course of construction | Total |
|---|---|---|---|---|---|
| | £000s | £000s | £000s | £000s | £000s |
| | Restated | Restated | | | Restated |
| **Cost or valuation** | | | | | |
| At 4 April 2021 | 655 | 2,905 | 2,310 | 4 | 5,874 |
| Cost transfer | - | - | 4 | (4) | - |
| Additions | - | - | 309 | 7 | 316 |
| Disposals | - | - | (1,150) | - | (1,150) |
| Revaluation | 20 | 200 | - | - | 220 |
| **At 3 April 2022** | **675** | **3,105** | **1,473** | **7** | **5,260** |
| **Accumulated depreciation** | | | | | |
| At 4 April 2021 | - | 107 | 1,371 | - | 1,478 |
| Charge for the year | - | - | 499 | - | 499 |
| Disposals | - | - | (1,148) | - | (1,148) |
| Revaluation | - | (107) | - | - | (107) |
| **At 4 April 2021** | **-** | **-** | **722** | **-** | **722** |
| **Net book amount At 3 April 2022** | **675** | **3,105** | **751** | **7** | **4,538** |
| At 4 April 2021 | 655 | 2,798 | 939 | 4 | 4,396 |

There were no capital commitments outstanding at 3 April 2022 (2021: nil).

The valuation was performed by Thomas Coyte of Burston Cook as at 31 March 2022. The valuation was made on a market value basis in accordance with RICS Valuation Global Standards 2021 (effective from 31 January 2022) and taking into account current market conditions.

## 14. Tangible assets (Company only)

| | Investment properties £000s Restated |
|---|---|
| **Valuation** | |
| At 4 April 2021 | 3,453 |
| Additions | - |
| Disposals | - |
| Revaluation | 327 |
| **At 3 April 2022** | **3,780** |

## 15. Investments (Company only)

| **Shares in group undertakings** | **£000s** |
|---|---|
| Cost and Net book amount | |
| At 4 April 2021 | 1,036 |
| **At 3 April 2022** | **1,036** |

At 3 April 2022 the company owned 100% of ordinary share capital of the following subsidiary which operates solely within the United Kingdom and is based at Quarry Road, Chipping Sodbury, BS37 6JL and is included in the consolidated profit and loss amount and balance sheet.

| **Name of subsidiary** | **Proportion of shares held** | **Nature of business** |
|---|---|---|
| Ian Williams Limited | 100% | Property service contractors |

The directors believe that the carrying value of the investments is supported by their underlying net assets.

## 16. Stocks

| | **Group** | | **Company** | |
|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 |
| | **£000s** | £000s | **£000s** | £000s |
| Raw materials and consumables | **599** | 333 | **-** | - |

The replacement cost of stocks is not materially different to the balance sheet value.

## 17. Debtors

| | Group | | Company | |
|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 |
| | **£000s** | £000s | **£000s** | £000s |
| | | Restated | | |
| Trade debtors | **12,711** | 10,647 | **-** | - |
| Other debtors | **316** | 281 | **-** | 35 |
| Amounts owed by group undertakings | **-** | - | **7** | 103 |
| Corporation tax | **15** | 108 | **-** | - |
| Deferred tax (note 21) | **-** | 637 | **-** | - |
| Prepayments and accrued income | **6,357** | 6,540 | **-** | - |
| | **19,399** | 18,213 | **7** | 138 |

## 18. Creditors – amounts falling due within one year

| | Group | | Company | |
|---|---|---|---|---|
| | **2022** | 2021 | **2022** | 2021 |
| | **£000s** | £000s | **£000s** | £000s |
| | | Restated | | |
| Payments received on account | **1,368** | 1,368 | **-** | - |
| Trade creditors | **5,053** | 3,369 | **-** | - |
| Corporation tax | **34** | 44 | **34** | 44 |
| Deferred tax (note 21) | **231** | 55 | **165** | 55 |
| Other taxation and social security | **2,947** | 4,905 | **-** | - |
| Other creditors | **1,262** | 1,254 | **3** | - |
| Accruals and deferred income | **5,860** | 6,418 | **30** | 29 |
| | **16,755** | 17,413 | **232** | 128 |

## 19. Provisions

The company holds a £782k (2021: £782k) provision in relation to contractual disputes that arose last financial period. The value of the provision has been calculated using the company's best estimates, having sought legal advice where appropriate, from the information available to it. The disputes are not yet settled and the company is hopeful of settlement in the near future but it is not guaranteed. The provision value has not changed during the financial year.

## 20. Deferred taxation

| Group | **Deferred tax asset / (liability) £000s** |
|---|---|
| At 4 April 2021 | 582 |
| Credited to the profit and loss account | (47) |
| Recognised in other comprehensive income | (766) |
| **At 3 April 2022** | **(231)** |

| **Deferred tax comprises (Group)** | **2022 £000s** | 2021 £000s |
|---|---|---|
| Short term timing differences | **(219)** | (216) |
| Pension (liability) / asset | **(12)** | 798 |
| Total deferred tax (liability) / asset | **(231)** | 582 |

The net deferred tax liability expected to reverse in 2023 is (£231k). This primarily relates to the reversal of timing differences on pension contributions. The group's deferred tax liability is shown net of the company's deferred tax liability.

| **Deferred tax comprises (Company)** | **2022 £000s** | 2021 £000s |
|---|---|---|
| Short term timing differences | **(165)** | (55) |

## 21. Called up share capital

| Group and Company | **2022 £000s** | 2021 £000s |
|---|---|---|
| Authorised, allotted and fully paid | | |
| 70,000 A ordinary shares of £1 each (2021: 70,000) | **70** | 70 |
| 30,000 B ordinary shares of £1 each (2021: 30,000) | **30** | 30 |
| Total share capital | **100** | 100 |

The A ordinary shares have full voting rights and rights to distribution on liquidation or winding up. The B ordinary shares have no voting rights and no rights to distribution on liquidation or winding up. Dividends are at the discretion of the directors and are paid from surplus cash. The sale or transfer of B ordinary shares is restricted and requires the written prior consent of a majority the A ordinary shareholders. The B ordinary shares may be subject to a buyback notice at the initial subscription price by the company on the occurrence of a relevant event as defined by the articles of the company.

## 22. Financial commitments

The group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

| | **2022 £000s** | 2021 £000s |
|---|---|---|
| Within one year | **102** | 253 |
| Within two to five years | **2,189** | 2,579 |
| | **2,291** | 2,832 |

## 23. Pension commitments

The company operates two pension schemes for its employees:

**Defined benefit scheme**

The company operated a defined benefit pension scheme for its employees. This scheme closed to future accrual on 31st March 2018. The scheme provided retirement benefits based on members' average pensionable pay. The deficit turned into a small surplus in the year driven by actuarial gains resulting from improvements in discount rates.

A full actuarial valuation of the scheme, using the projected unit basis, was undertaken as at 31 March 2021 by ISIO LLP independent qualified actuaries. Adjustments to the valuation at that date have been made as at 3 April 2022 based on the following assumptions:

| | **2022** | 2021 |
|---|---|---|
| | **%** | % |
| Inflation (RPI) | **3.65** | 3.30 |
| Rate of increase of pensions in payment | | |
| Pre 1 June 2006 | **3.50** | 3.20 |
| Post 1 June 2006 | **2.30** | 2.25 |
| Rate of increase for deferred pensioners | **3.00** | 2.65 |
| Discount rate | **2.65** | 2.00 |

The mortality assumptions used were as follows:

| | **2022** | 2021 |
|---|---|---|
| | **Years** | Years |
| **Life expectancy** | | |
| - Male (current age 45) | **87.8** | 88.1 |
| - Male (current age 65) | **86.6** | 86.8 |
| - Female (current age 45) | **90.1** | 90.3 |
| - Female (current age 65) | **88.6** | 88.7 |

| **Reconciliation of scheme assets and liabilities** | **Assets** | **Liabilities** | **Total** |
|---|---|---|---|
| | **£000s** | **£000s** | **£000s** |
| 4 April 2021 | **52,946** | **(56,736)** | **(3,790)** |
| Benefits paid | (1,693) | 1,693 | **-** |
| Employer contributions | 273 | - | **273** |
| Interest income / (expense) | 1,045 | (1,118) | **(73)** |
| Actuarial gains | - | 3,536 | **3,536** |
| Return on plan assets excluding interest income | 104 | - | **104** |
| **3 April 2022** | **52,675** | **(52,625)** | **50** |

# Notes to the financial statements (continued)

**Pension commitments (continued)**

| **Total cost recognised as an expense** | **2022** **£000s** | 2021 £000s |
|---|---|---|
| Net interest expense on post-employment benefits | **73** | 102 |
| Past service cost | **-** | 8 |
| | **73** | 110 |
| **The return on plan assets was:** | | |
| Interest income | **1,045** | 1,397 |
| Return on plan assets less interest income | **104** | 2,226 |
| | **1,149** | 3,623 |

| **The fair value of plan assets was** | **2022** **£000s** | 2021 £000s |
|---|---|---|
| Equities | **20,590** | 22,071 |
| Bonds | **18,057** | 18,570 |
| Other | **14,028** | 12,305 |
| | **52,675** | 52,946 |

| **Analysis of amount recognised in other comprehensive income** | **2022** **£000s** | 2021 £000s |
|---|---|---|
| Return on plan assets in excess of interest income | **104** | 2,226 |
| Actuarial (loss) / gain on experience adjustment | **(786)** | 59 |
| Actuarial gain / (loss) on assumptions adjustment | **4,377** | (2,774) |
| | **3,695** | (489) |

**Defined contribution scheme**

The group established a money purchase scheme with effect from April 1995. Contributions to the scheme are charged to the profit and loss account. The contributions of the group to the scheme in the year to 3 April 2022 totalled £990k (2021: £1,418k) and are currently at rates of between 3% and 10%, as are those of the employees.

## 24. Notes to the consolidated cash flow statement

**Reconciliation of operating profit to net cash inflow from operating activities**

| | **2022** | 2021 |
|---|---|---|
| | **£000s** | £000s |
| Profit for the financial year | **2,163** | 1,127 |
| Tax | **524** | 184 |
| Net interest | **72** | 35 |
| Operating profit | **2,759** | 1,346 |
| Loss on disposal of fixed assets | **2** | 1 |
| Depreciation charge | **602** | 836 |
| Profit on revaluation of investment properties | **(20)** | - |
| Difference between pension charge and cash contributions | **(218)** | (920) |
| Movement in stocks | **(266)** | 39 |
| Movement in debtors | **(1,916)** | (2,228) |
| Movement in creditors | **(824)** | 1,960 |
| Movement in provisions | **-** | 782 |
| **Net cash inflow from operating activities** | **119** | 1,816 |

## 25. Contingent liabilities

During the normal course of business the group issues financial guarantees in favour of certain customers and, at 3 April 2022, they amounted to £30k (2021: £nil). The directors believe that no significant costs to the group will occur because of these guarantees.

## 26. Related party transactions and ultimate controlling party

At the balance sheet date the ultimate controlling party is Mr John Williams due to his controlling interest in the share capital of Ian Williams (Holdings) Limited.

Ian Williams (Holdings) Limited is both the largest and the smallest company to prepare consolidated financial statements of the Ian Williams (Holdings) Limited group of companies.

Copies of the financial statements may be obtained from: Ian Williams, Quarry Road, Chipping Sodbury, Bristol, BS37 6JL.

During the year the company received £259k rental income in respect of its properties from its subsidiary, Ian Williams Limited, and paid Ian Williams Limited a management charge of £100k. At 3 April 2022 Ian Williams Limited owed the company £7k.

## 27. Events after the reporting date

On 5th April 2022, the Group agreed to purchase 100% of the share capital of ER Williams (Painting Contractors) Ltd. The consideration paid in respect of the acquisition was £2.4m.

**Ian Williams Limited**
Quarry Road
Chipping Sodbury
Bristol
BS37 6JL

**T** 01454 328 000
**E** enquiries@ianwilliams.co.uk

ianwilliams.co.uk