

**Report of the Director and
Unaudited Financial Statements for the Year Ended 31 July 2022
for
Shire Energy Services Limited**

Shire Energy Services Limited

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for the Year Ended 31 July 2022**

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Shire Energy Services Limited

**Company Information
for the Year Ended 31 July 2022**

DIRECTOR: Mr J G McCaig

REGISTERED OFFICE: 22 Ayr Road
Cumnock
Ayrshire
KA18 1DW

REGISTERED NUMBER: SC525861 (Scotland)

ACCOUNTANTS: The Collins Partnership
Chartered Accountants & Business Advisers
Westburn Business Centre
McNee Road
Prestwick
Ayrshire
KA9 2PB

Shire Energy Services Limited

**Report of the Director
for the Year Ended 31 July 2022**

The director presents his report with the financial statements of the company for the year ended 31 July 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of renewable energy installations.

DIRECTOR

Mr J G McCaig held office during the whole of the period from 1 August 2021 to the date of this report.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

Mr J G McCaig - Director

17 October 2022

**Chartered Accountants' Report to the Director
on the Unaudited Financial Statements of
Shire Energy Services Limited**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Shire Energy Services Limited for the year ended 31 July 2022 which comprise the Profit and Loss, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at <http://www.icas.com/accountspreparationguidance>.

This report is made solely to the director of Shire Energy Services Limited in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Shire Energy Services Limited and state those matters that we have agreed to state to the director of Shire Energy Services Limited in this report in accordance with the requirements of ICAS as detailed at <http://www.icas.com/accountspreparationguidance>. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its director for our work or for this report.

It is your duty to ensure that Shire Energy Services Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Shire Energy Services Limited. You consider that Shire Energy Services Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Shire Energy Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

The Collins Partnership
Chartered Accountants & Business Advisers
Westburn Business Centre
McNee Road
Prestwick
Ayrshire
KA9 2PB

17 October 2022



Shire Energy Services Limited**Profit and Loss
for the Year Ended 31 July 2022**

	Notes	2022 £	2021 £
TURNOVER		3,243,536	1,622,832
Cost of sales		<u>2,675,152</u>	<u>1,350,620</u>
GROSS PROFIT		568,384	272,212
Administrative expenses		<u>241,333</u>	<u>148,638</u>
		327,051	123,574
Other operating income		<u>-</u>	<u>17,853</u>
OPERATING PROFIT	4	327,051	141,427
Interest receivable and similar income		<u>4</u>	<u>5</u>
		327,055	141,432
Interest payable and similar expenses		<u>897</u>	<u>360</u>
PROFIT BEFORE TAXATION		326,158	141,072
Tax on profit	5	<u>61,749</u>	<u>27,141</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>264,409</u></u>	<u><u>113,931</u></u>

The notes form part of these financial statements

Shire Energy Services Limited (Registered number: SC525861)

**Balance Sheet
31 July 2022**

	Notes	2022 £	£	2021 £	£
FIXED ASSETS					
Tangible assets	7		7,399		4,064
CURRENT ASSETS					
Stocks	8	36,443		8,256	
Debtors	9	464,566		546,804	
Cash at bank and in hand		<u>138,226</u>		<u>152,955</u>	
		639,235		708,015	
CREDITORS					
Amounts falling due within one year	10	<u>469,377</u>		<u>528,115</u>	
NET CURRENT ASSETS			<u>169,858</u>		<u>179,900</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			177,257		183,964
CREDITORS					
Amounts falling due after more than one year	11		(28,333)		(40,083)
PROVISIONS FOR LIABILITIES			<u>(1,406)</u>		<u>(772)</u>
NET ASSETS			<u>147,518</u>		<u>143,109</u>
CAPITAL AND RESERVES					
Called up share capital	14		100		100
Retained earnings			<u>147,418</u>		<u>143,009</u>
SHAREHOLDERS' FUNDS			<u>147,518</u>		<u>143,109</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2022 in accordance with Section 476 of the Companies Act 2006.

The director acknowledges his responsibilities for:

- ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

Shire Energy Services Limited (Registered number: SC525861)

Balance Sheet - continued
31 July 2022

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the director and authorised for issue on 17 October 2022 and were signed by:

Mr J G McCaig - Director

The notes form part of these financial statements

Shire Energy Services Limited

Notes to the Financial Statements for the Year Ended 31 July 2022

1. STATUTORY INFORMATION

Shire Energy Services Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The director reviews the working capital requirements of the business on a regular basis to ensure as far as possible that the company has adequate resources to meet commitments as they fall due. On occasions this involves additional support both from the director personally and from the company's bank. On this basis and taking account of the more recent trading performance of the business the director believes that there are sufficient resources available to meet obligations falling due. Consequently the accounts have been prepared on a going concern basis.

Related party exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Turnover/revenue recognition

Sales comprise the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Sales are presented, net of value-added tax, rebates and discounts.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met.

Revenue recognition

Unbilled revenue is included in debtors under "amounts recoverable on contracts".

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Tangible fixed assets are stated at cost less depreciation.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are classified in accordance with their underlying economic reality. The company has two main categories of financial instruments, which are loans and other receivables and other financial liabilities:

Loans and other receivables

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Upon recognition, these assets are measured at fair value less directly related transaction expenses. In successive periods these are measured at amortised cost, and any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value less any allowance for credit losses.

Other financial liabilities

Other financial liabilities are recognised initially at fair value, net of transaction costs incurred. In successive periods these are measured at amortised cost. Any differences between acquisition cost and redemption value is accounted for over the borrowing period by using the effective interest method. If transaction costs are immaterial and the credit period is short, amortised cost is equal to the nominal value.

Impairment of financial instruments

A provision for impairment is established when there is objective evidence that, as a result of one or more events that occurred after the initial recognition, the estimated future cash flows have been impacted.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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 measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Notes to the Financial Statements - continued
for the Year Ended 31 July 2022

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable over the term of the lease. The corresponding leasing commitments are shown as amounts payable to the lessor. Depreciation on the relevant assets is charged to the profit and loss account over the shorter of estimated useful economic life and the period of the lease.

Lease payments are analysed between capital and interest components so that the interest element of the payment is charged to the profit and loss account over the period of the lease and is calculated so that it represents a constant proportion of the balance of capital repayments outstanding. The capital part reduces the amounts payable to the lessor.

All other leases are treated as operating leases. Their annual rentals are charged to the profit and loss account on a straight line basis over the terms of the lease.

Pension costs and other post-retirement benefits

The company operates a money purchase pension scheme in the form of employee personal pension plans. The contracts are between the individual and the pension provider and all funds are held externally by a third party pension provider. Pension contributions are charged to the profit and loss account in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents comprise cash held by the company and short term bank deposits with an original maturity of three months or less from inception and are subject to insignificant risk of changes in value.

Impairment of fixed assets

At each reporting date, the company reviews the carrying amounts of its tangible fixed assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Deferred government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Furlough support received from the Government is regarded by the directors as a subsidy towards the cost of staff not allowed to work in the business as a consequence of COVID 19 and consequently netted off there.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 10 (2021 - 3).

4. OPERATING PROFIT

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation - owned assets	<u>1,008</u>	<u>556</u>

Shire Energy Services Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

5. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	61,115	27,159
Deferred tax	<u>634</u>	<u>(18)</u>
Tax on profit	<u>61,749</u>	<u>27,141</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021
	£	£
Profit before tax	<u>326,158</u>	<u>141,072</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	61,970	26,804
Effects of:		
Expenses not deductible for tax purposes	403	337
Superallocation	(289)	-
Group relief	<u>(335)</u>	<u>-</u>
Total tax charge	<u>61,749</u>	<u>27,141</u>

6. DIVIDENDS

	2022	2021
	£	£
Ordinary shares of £1 each		
Interim	<u>260,000</u>	<u>39,400</u>

Shire Energy Services Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**

7. TANGIBLE FIXED ASSETS

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 August 2021	7,000	2,136	9,136
Additions	<u>-</u>	<u>5,081</u>	<u>5,081</u>
At 31 July 2022	<u>7,000</u>	<u>7,217</u>	<u>14,217</u>
DEPRECIATION			
At 1 August 2021	4,047	1,025	5,072
Charge for year	<u>738</u>	<u>1,008</u>	<u>1,746</u>
At 31 July 2022	<u>4,785</u>	<u>2,033</u>	<u>6,818</u>
NET BOOK VALUE			
At 31 July 2022	<u>2,215</u>	<u>5,184</u>	<u>7,399</u>
At 31 July 2021	<u>2,953</u>	<u>1,111</u>	<u>4,064</u>

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	Motor vehicles £
COST	
At 1 August 2021 and 31 July 2022	<u>7,000</u>
DEPRECIATION	
At 1 August 2021	4,047
Charge for year	<u>738</u>
At 31 July 2022	<u>4,785</u>
NET BOOK VALUE	
At 31 July 2022	<u>2,215</u>
At 31 July 2021	<u>2,953</u>

8. STOCKS

	2022 £	2021 £
Stocks	<u>36,443</u>	<u>8,256</u>

Shire Energy Services Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 July 2022**

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	224,438	428,320
Amounts owed by related parties	73,754	65,627
Amounts recoverable on contracts	107,225	48,684
Other debtors	58,315	2,500
VAT	<u>834</u>	<u>1,673</u>
	<u>464,566</u>	<u>546,804</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts	10,000	10,000
Hire purchase contracts (see note 12)	1,749	1,749
Trade creditors	247,444	302,908
Amounts owed to related parties	97,714	104,095
Corporation tax	61,115	47,759
Social security and other taxes	46,013	58,669
Director's loan account	156	308
Accruals	<u>5,186</u>	<u>2,627</u>
	<u>469,377</u>	<u>528,115</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans – 1 to 2 years	10,000	10,000
Bank loans – 2 to 5 years	18,333	28,334
Hire purchase contracts (see note 12)	<u>-</u>	<u>1,749</u>
	<u>28,333</u>	<u>40,083</u>

12. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	1,749	1,749
Between one and five years	<u>-</u>	<u>1,749</u>
	<u>1,749</u>	<u>3,498</u>

Shire Energy Services Limited

Notes to the Financial Statements - continued for the Year Ended 31 July 2022

12. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	16,384	16,600
Between one and five years	<u>2,567</u>	<u>29,717</u>
	<u>18,951</u>	<u>46,317</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	38,333	48,334
Hire purchase contracts	<u>1,749</u>	<u>3,498</u>
	<u>40,082</u>	<u>51,832</u>

The bank loan is secured under the government backed guarantee scheme and is repayable over a period of six years following drawdown with interest charged at a fixed commercial rate.

Hire purchase liabilities are secured over the assets being financed, with interest charged at varying rates of interest.

14. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2022	2021
			£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>

15. CONTROLLING PARTY

The company is under the control of the director by virtue of his ownership of the company's parent company, Shire Developments (Scot) Ltd.

Shire Energy Services Limited

**Trading and Profit and Loss Account
for the Year Ended 31 July 2022**

	2022		2021	
	£	£	£	£
Sales and work done		3,243,536		1,622,832
Cost of sales				
Materials	1,639,015		894,925	
Sub-contractors	737,940		291,331	
Tools and consumables	3,689		1,816	
Plant hire and erection	85,685		103,572	
Certification fees	17,272		11,723	
Professional fees	62,179		18,130	
Wages	120,142		26,890	
Social security	7,642		2,233	
Pensions	1,588		-	
		<u>2,675,152</u>		<u>1,350,620</u>
GROSS PROFIT		568,384		272,212
Other income				
Grant income	-		17,853	
Deposit account interest	4		5	
		<u>4</u>	<u>5</u>	
		568,388		<u>17,858</u>
				290,070
Expenditure				
Rent	11,684		7,113	
Use of home as office	312		225	
Insurance	6,149		5,481	
Light and heat	749		771	
Repairs to property	221		238	
Director's salary	58,541		44,089	
Directors' social security	8,264		6,084	
Directors' pension contributions	16,182		12,000	
Wages	48,184		6,400	
Social security	4,349		-	
Pensions	1,202		-	
Telephone	1,095		383	
Postage, stationery and advertising	6,583		2,073	
Motor, travel, subsistence and accommodation	35,017		26,555	
Vehicle leasing	9,557		3,967	
Repairs and renewals	2,499		-	
Protective clothing	633		1,582	
Health and safety fees	3,698		6,139	
Computer expenses	1,501		760	
General expenses	1,134		3,918	
Training and coaching	1,242		-	
Management charges	5,000		-	
Accountancy and secretarial	6,541		2,967	
Subscriptions	2,937		1,631	
HMRC penalties and interest	1,284		1,387	
Professional fees	636		792	
Depreciation	1,746		1,540	
		<u>236,940</u>	<u>136,095</u>	<u>290,070</u>
Carried forward	236,940	568,388	136,095	290,070

This page does not form part of the statutory financial statements

Shire Energy Services Limited

**Trading and Profit and Loss Account
for the Year Ended 31 July 2022**

	2022		2021	
	£	£	£	£
Brought forward	236,940	568,388	136,095	290,070
Entertainment	835		392	
Bad debts	<u>1,750</u>		<u>11,482</u>	
		<u>239,525</u>		<u>147,969</u>
		328,863		142,101
Finance costs				
Bank charges	1,808		669	
Bank loan interest	647		109	
Hire purchase	<u>250</u>		<u>251</u>	
		<u>2,705</u>		<u>1,029</u>
NET PROFIT		<u><u>326,158</u></u>		<u><u>141,072</u></u>

