

Registered number: 04516741

PEOPLE VALUE LIMITED

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2020



PEOPLE VALUE LIMITED
REGISTERED NUMBER: 04516741

BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	As restated 2019 £
Fixed assets			
Tangible assets	4	88,695	88,143
		<u>88,695</u>	<u>88,143</u>
Current assets			
Stocks	5	516,297	336,822
Debtors: amounts falling due within one year	6	2,303,054	2,518,284
Cash at bank and in hand	7	1,157,328	1,054,808
		<u>3,976,679</u>	<u>3,909,914</u>
Creditors: amounts falling due within one year	8	<u>(4,548,643)</u>	<u>(4,420,704)</u>
Net current liabilities		(571,964)	(510,790)
Total assets less current liabilities		(483,269)	(422,647)
Creditors: amounts falling due after more than one year	9	-	(176,123)
Provisions for liabilities			
Deferred tax	11	-	(7,150)
		<u>-</u>	<u>(7,150)</u>
Net liabilities		(483,269)	(605,920)
Capital and reserves			
Called up share capital		1	1
Profit and loss account		(483,270)	(605,921)
		<u>(483,269)</u>	<u>(605,920)</u>

**PEOPLE VALUE LIMITED
REGISTERED NUMBER: 04516741**

**BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020**

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

A Caldicott

Andy Caldicott 20 Dec 2021 16:23:45 GMT (UTC +0)

A S Caldicott
Director

Date: 20 December 2021

The notes on pages 4 to 13 form part of these financial statements.

PEOPLE VALUE LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2020 (as previously stated)	1	(175,828)	(175,827)
Prior year adjustment (note 14)	-	(430,093)	(430,093)
At 1 January 2020 (as restated)	<u>1</u>	<u>(605,921)</u>	<u>(605,920)</u>
Comprehensive income for the year			
Profit for the year	-	251,854	251,854
Dividends	-	(129,203)	(129,203)
Total transactions with owners	-	(129,203)	(129,203)
At 31 December 2020	<u><u>1</u></u>	<u><u>(483,270)</u></u>	<u><u>(483,269)</u></u>

The notes on pages 4 to 13 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2019	1	(926,256)	(926,255)
Comprehensive income for the year			
Profit for the year	-	391,893	391,893
Dividends	-	(71,558)	(71,558)
Total transactions with owners	-	(71,558)	(71,558)
At 31 December 2019	<u><u>1</u></u>	<u><u>(605,921)</u></u>	<u><u>(605,920)</u></u>

The notes on pages 4 to 13 form part of these financial statements.

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1. General information

People Value Limited is a private Company limited by shares incorporated in England and Wales. The registered office is Victor House, Wheatley Business Centre, Old London Road, Wheatley, Oxford, OX33 1XW.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

The following principal accounting policies have been applied:

2.2 Going concern

The Company has generated a profit before tax of £144,704 (2019: £390,731) during the year ended 31 December 2020. Although the Company has net current liabilities of £483,269 (2019: £605,920) deferred income represents £660,063 (2019: £876,296) of this liability for future services and goods to be provided.

As detailed in note 17, the Company has been acquired and has plans for expansion. The directors have prepared forecasts and projections using what they consider to be reasonable assumptions relating to the Company's financial performance, current financial position and existing financial resources for a period of at least 12 months from signing of the financial statements which show the Company to be a going concern.

Based on the above, the directors are of the opinion that the going concern principle is applicable and that the Company has the necessary resources to continue as a going concern for the foreseeable future.

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.4 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- 20%
Boat	- 10%
Leasehold improvements	- Over period of lease

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.5 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.6 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.7 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet 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 the liability simultaneously.

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.9 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.11 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.12 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.13 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.15 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

PEOPLE VALUE LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

2.19 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Employees	43	43

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Tangible fixed assets

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 January 2020	5,916	103,000	42,075	56,090	207,081
Additions	-	-	-	26,133	26,133
At 31 December 2020	<u>5,916</u>	<u>103,000</u>	<u>42,075</u>	<u>82,223</u>	<u>233,214</u>
Depreciation					
At 1 January 2020	5,188	53,216	31,734	28,800	118,938
Charge for the year on owned assets	-	10,300	3,162	12,119	25,581
At 31 December 2020	<u>5,188</u>	<u>63,516</u>	<u>34,896</u>	<u>40,919</u>	<u>144,519</u>
Net book value					
At 31 December 2020	<u>728</u>	<u>39,484</u>	<u>7,179</u>	<u>41,304</u>	<u>88,695</u>
At 31 December 2019	<u>728</u>	<u>49,784</u>	<u>10,341</u>	<u>27,290</u>	<u>88,143</u>

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

5. Stocks

	2020 £	2019 £
Stocks	516,297	336,822
	<u>516,297</u>	<u>336,822</u>

6. Debtors

	2020 £	As restated 2019 £
Trade debtors	1,781,737	1,948,109
Other debtors	172,990	31,875
Prepayments and accrued income	348,327	538,300
	<u>2,303,054</u>	<u>2,518,284</u>

7. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	1,157,328	1,054,808
	<u>1,157,328</u>	<u>1,054,808</u>

8. Creditors: Amounts falling due within one year

	2020 £	As restated 2019 £
Bank loans	141,752	140,898
Trade creditors	473,012	576,475
Corporation tax	1,175	1,175
Other taxation and social security	583,111	368,308
Other creditors	2,284,023	2,034,878
Accruals	405,507	422,674
Deferred income	660,063	876,296
	<u>4,548,643</u>	<u>4,420,704</u>

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

9. Creditors: Amounts falling due after more than one year

	2020 £	2019 £
Bank loans	-	176,123
	<u>-</u>	<u>176,123</u>
	<u>-</u>	<u>176,123</u>

10. Loans

Analysis of the maturity of loans is given below:

	2020 £	2019 £
Amounts falling due within one year		
Bank loans	141,752	140,898
	<u>141,752</u>	<u>140,898</u>
Amounts falling due 1-2 years		
Bank loans	-	176,123
	<u>-</u>	<u>176,123</u>
	<u>141,752</u>	<u>317,021</u>
	<u>141,752</u>	<u>317,021</u>

The bank loans and overdrafts are secured by way of fixed and floating charges over the assets of the Company. The bank loan bears interest of 4.5% over base rate, and requires quarterly payments of principal and interest of £13,889 through to maturity, at which time all unpaid principal and interest is due.

11. Deferred taxation

	2020 £	2019 £
At beginning of year	(7,150)	(7,150)
Charged to profit or loss	7,150	-
	<u>-</u>	<u>-</u>
At end of year	<u>-</u>	<u>(7,150)</u>
	<u>-</u>	<u>(7,150)</u>

PEOPLE VALUE LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**11. Deferred taxation (continued)**

The deferred taxation balance is made up as follows:

	2020 £	2019 £
Accelerated capital allowances	-	(7,150)
	<u>-</u>	<u>(7,150)</u>
	<u>-</u>	<u>(7,150)</u>

12. Prior year adjustment

The Company has identified an accounting error in relation to historical VAT. The Company has made a prior year adjustment of £430,093 to correct this error. The impact of this adjustment is to increase social security and other taxes and reduce retained earnings respectively.

13. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted £57,950 (2019: £50,851). Contributions totalling £107 (2019: £107) were payable to the fund at the balance sheet date and are included in creditors.

14. Dividends

At the time that the dividends for the year ended 31 December 2019 were paid, the business operated under a different accounting policy, resulting in increased cumulative reserves more than covering the associated distributions. Following a retrospective change in accounting policy and the prior year adjustment referenced in note 13, the cumulative reserves at the year-end reduced, meaning that dividends temporarily exceeded distributable reserves

15. Post balance sheet events

On 2 March 2021, 100% of the share capital of People value Limited was acquired by PV Finance Limited. Since that date Ethos partners LLP is the ultimate parent company of People Value Limited.

16. Controlling party

The ultimate controlling party of the Company until 2 March 2021 was Michael R Morgan by virtue of his shareholding. On 2 March 2021, 100% of the share capital of People Value Limited was acquired by PV Finance Limited, the immediate parent company of People Value Limited. Since 2 March 2021 in the opinion of the directors, the Company is not controlled by any one person.