

Registration number: 11447565

UPNORTH GROUP LIMITED
Annual Report and Consolidated Financial Statements
for the Year Ended 31 March 2023

UpNorth Group Limited

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UpNorth Group Limited

Strategic Report for the Year Ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Principal activity

The principal activity of the company is that of a holding company.

The principal activity of the group is that of air conditioning & refrigeration engineers alongside investment within properties for future development.

Fair review of the business

The results for the year was a profit before tax of £321,891 (2022 - £466,143 loss) and turnover of £25,958,174 (2022 - £15,135,885).

The group is showing a net asset position of £8,382,679 (2022 - £8,062,077) at the end of the year.

The business continues to expand its critical engineering division with a particular focus on mission critical power & cooling services predominantly within the Data Center sector. Whilst our core business relates to this sector, we have further grown our building services department securing numerous projects within the construction industry. Our facilities department is continuing to grow and has seen a substantial increase in new clients and long-term contracts. Orders for the group's services has been strong throughout the year and the group closed the year with a number of secured sales orders.

Reasonable investment has been made in training, research and in particular development, all of which will lay a solid foundation for many new products, services & engineering solutions for our clients in the coming year.

At the end of the year our business is in a strong financial position and remains positive about growth within our current sector and others, expanding into new areas of work as well as building relationships with new & existing clients.

Looking forward Upnorth are investing in further development of the group in all areas. We continue to expand and grow our facilities division nationally and locally offering fully tailored packages to meet the clients' demands in all areas of refrigeration, catering & cooling. We also look to grow the engineering division offering services over and above those of our competitors. We will continue to collaborate closely with all clients, ensuring the most cost-effective and comprehensive level of services possible.

The group's key financial and other performance indicators during the year were as follows:

	Unit	2023	2022
Revenue	£	25,958,174	15,135,885
Gross profit margin	%	38	51

UpNorth Group Limited

Strategic Report for the Year Ended 31 March 2023 (continued)

Principal risks and uncertainties

Loss of key customers – the group looks to ensure that they are not solely reliant on individual contracts. The group continues to diversify service offerings and provide engineering solutions to meet the needs of our customers.

Loss of key employees – the group looks to attract and maintain our employees through offering a competitive and attractive salary and holiday package.

Risk of competition – customer relationships, which have been established over a number of years, allow us to continue our work with key individuals to secure orders.

Approved and authorised for issue by the Board on 26 March 2024 and signed on its behalf by:

.....

J A Soulsby

Director

UpNorth Group Limited

Directors' Report for the Year Ended 31 March 2023

The directors present their report and the for the year ended 31 March 2023.

Directors of the group

The directors who held office during the year were as follows:

V Grierson - Company secretary and director

J A Soulsby

S A Grierson

Financial instruments

Objectives and policies

The group finances its activities with a combination of finance leases and hire purchase contracts, cash and short term deposits. Other financial assets and liabilities, such as trade debtors and trade creditors, arise directly from the group's operating activities.

Price risk, credit risk, liquidity risk and cash flow risk

Price risk

Price risk is the risk that changes in raw material prices have the potential to impact on the profitability of the group. The group does not consider that it is materially exposed to price risk.

Credit risk

Credit risk is the risk that one party of a financial instrument will cause a financial loss for the other party by failing to discharge its obligation. Group policies are aimed at minimising such losses and require customers to satisfy credit worthiness procedures prior to acceptance of contracts. The group also utilises insurance policies to protect against non-payment of debt. The group does not consider that it is materially exposed to credit risk.

Cash flow and liquidity risk

Cash flow and liquidity risk is the risk that a group's available cash will not be sufficient to meet its financial obligations. The group actively manages its cash flow position including collection of debts and timely payment of creditors. This, coupled with the strong cash position of the group is deemed sufficient to minimise the group's exposure to cash flow and liquidity risk.

Foreign Exchange risk

Foreign exchange risk refers to the potential for loss from exposure to foreign exchange rate fluctuations. Group policies are aimed at minimising this risk. The group does not consider that it is materially exposed to foreign exchange risk.

UpNorth Group Limited

Directors' Report for the Year Ended 31 March 2023 (continued)

Going concern

The financial statements have been prepared on a going concern basis. The group's forecasts and projections for the next twelve months show that the group should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. Based on the above factors the directors believe the group has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

Future developments

See disclosures within the Strategic Report regarding future developments of the group.

Disclosure of information to the auditor

Each director has taken 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 company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved and authorised for issue by the Board on 26 March 2024 and signed on its behalf by:

.....

J A Soulsby

Director

UpNorth Group Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

UpNorth Group Limited

Independent Auditor's Report to the Members of UpNorth Group Limited

Opinion

We have audited the financial statements of UpNorth Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023, which comprise the Consolidated Income Statement, Consolidated Statement of Financial Position, Statement of Financial Position, Consolidated Statement of Changes in Equity, Statement of Changes in Equity, Consolidated Statement of Cash Flows, and Notes to the Financial Statements, including 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).

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 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's 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 and 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 other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

UpNorth Group Limited

Independent Auditor's Report to the Members of UpNorth Group Limited (continued)

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Directors' Report.

We have nothing to report in respect of the following matters 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 [set out on page 5], the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor Responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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:

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness;

UpNorth Group Limited

Independent Auditor's Report to the Members of UpNorth Group Limited (continued)

- enquiries of management about any known or suspected instances of non-compliance with laws and regulations and fraud;
- challenging assumptions and judgements made by management in their significant accounting estimates;
- auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias; and
- reviewing financial statement disclosures and testing to support documentation.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Claire Hinshaw ACCA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Statutory Auditor

Chartered Accountants

Bulman House

Regent Centre

Gosforth

Newcastle upon Tyne

NE3 3LS

28 March 2024

Azets Audit Services is a trading name of Azets Audit Services Limited

UpNorth Group Limited

Consolidated Income Statement for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Turnover	<u>3</u>	25,958,174	15,135,885
Cost of sales		<u>(16,022,406)</u>	<u>(7,407,690)</u>
Gross profit		9,935,768	7,728,195
Administrative expenses		(9,603,696)	(8,331,474)
Other operating income	<u>4</u>	<u>-</u>	<u>164,185</u>
Operating profit/(loss)	<u>5</u>	332,072	(439,094)
Other interest receivable and similar income	<u>6</u>	(12)	-
Interest payable and similar expenses	<u>7</u>	<u>(10,169)</u>	<u>(27,049)</u>
Profit/(loss) before tax		321,891	(466,143)
Taxation	<u>11</u>	<u>(1,289)</u>	<u>149,278</u>
Profit/(loss) for the financial year		<u>320,602</u>	<u>(316,865)</u>
Profit/(loss) attributable to:			
Owners of the company		<u>320,602</u>	<u>(316,865)</u>

The group has no recognised gains or losses for the year other than the results above.

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

(Registration number: 11447565)

Consolidated Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>12</u>	1,442,201	758,973
Investment property	<u>13</u>	3,491,917	3,491,917
Investments	<u>14</u>	3,000	3,000
		<u>4,937,118</u>	<u>4,253,890</u>
Current assets			
Stocks	<u>15</u>	119,025	145,626
Debtors	<u>16</u>	7,366,920	4,476,161
Cash at bank and in hand		4,039,322	2,392,158
		<u>11,525,267</u>	<u>7,013,945</u>
Creditors: Amounts falling due within one year	<u>18</u>	<u>(7,315,650)</u>	<u>(3,205,758)</u>
Net current assets		<u>4,209,617</u>	<u>3,808,187</u>
Total assets less current liabilities		9,146,735	8,062,077
Creditors: Amounts falling due after more than one year	<u>18</u>	<u>(764,056)</u>	-
Net assets		<u>8,382,679</u>	<u>8,062,077</u>
Capital and reserves			
Called up share capital	<u>21</u>	20,000	20,000
Profit and loss account		8,362,679	8,042,077
Equity attributable to owners of the company		<u>8,382,679</u>	<u>8,062,077</u>
Total equity		<u>8,382,679</u>	<u>8,062,077</u>

Approved and authorised for issue by the Board on 26 March 2024 and signed on its behalf by:

.....
J A Soulsby
Director

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

(Registration number: 11447565)

Statement of Financial Position as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	<u>14</u>	23,200	23,200
Current assets			
Debtors	<u>16</u>	4,661,263	4,637,721
Cash at bank and in hand		785	3,295
		<u>4,662,048</u>	<u>4,641,016</u>
Creditors: Amounts falling due within one year	<u>18</u>	<u>(343,687)</u>	<u>(283,512)</u>
Net current assets		<u>4,318,361</u>	<u>4,357,504</u>
Net assets		<u>4,341,561</u>	<u>4,380,704</u>
Capital and reserves			
Called up share capital		20,000	20,000
Profit and loss account		<u>4,321,561</u>	<u>4,360,704</u>
Total equity		<u>4,341,561</u>	<u>4,380,704</u>

The company made a loss after tax for the financial year of £39,143 (2022 - profit of £804,973).

Approved and authorised for issue by the Board on 26 March 2024 and signed on its behalf by:

.....
J A Soulsby
Director

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 March 2023

Equity attributable to the parent company

	Share capital	Profit and loss	Total	Total equity
	£	account	£	£
		£		
At 1 April 2021	20,000	9,358,942	9,378,942	9,378,942
Loss for the year	-	(316,865)	(316,865)	(316,865)
Total comprehensive income	-	(316,865)	(316,865)	(316,865)
Dividends	-	(1,000,000)	(1,000,000)	(1,000,000)
At 31 March 2022	20,000	8,042,077	8,062,077	8,062,077

	Share capital	Profit and loss	Total	Total equity
	£	account	£	£
		£		
At 1 April 2022	20,000	8,042,077	8,062,077	8,062,077
Profit for the year	-	320,602	320,602	320,602
Total comprehensive income	-	320,602	320,602	320,602
At 31 March 2023	20,000	8,362,679	8,382,679	8,382,679

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

Statement of Changes in Equity for the Year Ended 31 March 2023

	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2021	20,000	4,555,731	4,575,731
Profit for the year	-	804,973	804,973
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	804,973	804,973
Dividends	-	(1,000,000)	(1,000,000)
	<hr/>	<hr/>	<hr/>
At 31 March 2022	20,000	4,360,704	4,380,704
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	Share capital	Profit and loss	Total
	£	account	£
	£	£	£
At 1 April 2022	20,000	4,360,704	4,380,704
Loss for the year	-	(39,143)	(39,143)
	<hr/>	<hr/>	<hr/>
Total comprehensive income	-	(39,143)	(39,143)
	<hr/>	<hr/>	<hr/>
At 31 March 2023	20,000	4,321,561	4,341,561
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

Consolidated Statement of Cash Flows for the Year Ended 31 March 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Profit/(loss) for the year		320,602	(316,865)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	<u>5</u>	402,722	132,315
Freehold property revaluation		-	10,361
Changes in fair value of investment property	<u>13</u>	-	59,598
Profit on disposal of tangible assets		(1,673)	(3,147)
Finance income	<u>6</u>	12	-
Finance costs	<u>7</u>	10,169	27,049
Income tax expense	<u>11</u>	1,289	(149,278)
		<u>733,121</u>	<u>(239,967)</u>
Working capital adjustments			
Decrease/(increase) in stocks	<u>15</u>	26,601	(21,776)
Increase in trade debtors	<u>16</u>	(2,805,383)	(1,270,631)
Increase in trade creditors	<u>18</u>	3,995,134	1,090,251
Cash generated from operations		1,949,473	(442,123)
Income taxes paid	<u>11</u>	(149,999)	(180,676)
Net cash flow from operating activities		<u>1,799,474</u>	<u>(622,799)</u>
Cash flows from investing activities			
Interest received		(12)	-
Acquisitions of tangible assets		(114,272)	(169,138)
Proceeds from sale of tangible assets		9,584	14,583
Acquisition of investment properties	<u>13</u>	-	(974,917)
Net cash flows from investing activities		<u>(104,700)</u>	<u>(1,129,472)</u>
Cash flows from financing activities			
Interest paid	<u>7</u>	(10,169)	(27,049)
Payments to finance lease creditors		(37,441)	(3,207)
Dividends paid		-	(1,000,000)
Net cash flows from financing activities		<u>(47,610)</u>	<u>(1,030,256)</u>
Net increase/(decrease) in cash and cash equivalents		1,647,164	(2,782,527)
Cash and cash equivalents at 1 April		<u>2,392,158</u>	<u>5,174,685</u>
Cash and cash equivalents at 31 March		<u><u>4,039,322</u></u>	<u><u>2,392,158</u></u>

The notes on pages 15 to 33 form an integral part of these financial statements.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is Merlin House, Princesway, Team Valley Trading Estate, Gateshead, NE11 0NF.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

These financial statements are prepared in sterling which is the functional currency of the entity.

Summary of disclosure exemptions

The company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

(a) Disclosures in respect of each class of share capital have not been presented.

(b) No cash flow statement has been presented for the company.

(c) Disclosures in respect of financial instruments have not been presented.

(d) No disclosure has been given for the aggregate remuneration of key management personnel.

The company has taken advantage of the exemption available under paragraph 33.1A of FRS 102 and does not disclose related party transactions with members of the same group that are wholly owned.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 March 2023.

No Income Statement is presented for the company as permitted by section 408 of the Companies Act 2006. The company made a loss after tax for the financial year of £39,143 (2022 - profit of £804,973).

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Income Statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination.

Going concern

The financial statements have been prepared on a going concern basis.

The group's forecasts and projections for the next twelve months show that the group should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance.

Based on the above factors the directors believe the group has adequate resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the directors believe it remains appropriate to prepare the financial statements on a going concern basis.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Judgements

The judgements (apart from those involving estimations) that management has made in the process of applying the entity's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are as follows:

Assessing indicators of impairment - In assessing whether there have been indicators of impairment of assets, the directors have considered both external and internal sources of information such as market conditions, counterparty credit ratings and experience of recoverability.

Assessing nature of lease - The Company has entered into commercial leases and as a lessee it obtains use of property, plant and equipment. The classification as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Taxation - Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Useful economic lives of tangible assets - The annual depreciation charge is sensitive to changes in the estimated useful lives of the assets. The useful economic lives are re-assessed annually. They are amended when necessary to reflect current estimates, future investments and economic utilisation. The carrying amount is £1,442,201 (2022 - £ 758,973).

Revenue recognition

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of services are recognised by reference to the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Government grants

Government grants relating to the costs incurred by the company are recognised in the income statement over the period necessary to match them with costs that they are intended to compensate. Government grants are presented separately and disclosed in Other operating income in the income statement.

Other operating income includes the UK Government assistance provided through Coronavirus Job Retention Scheme during the Covid-19 pandemic.

Tax

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

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the consolidated financial statements. Unrelieved tax losses and other deferred tax assets are 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 the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Land	Not depreciated
Furniture and fittings	33% straight line and 15% reducing balance
Motor vehicles	25% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment. Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are 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.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Trade creditors

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 the group does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance costs in the income statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the group's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

2 Accounting policies (continued)

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the group has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Revenue

The analysis of the group's Turnover for the year from continuing operations is as follows:

	2023	2022
	£	£
Sale of goods	25,842,968	15,006,345
Rental income from investment property	115,206	129,540
	<u>25,958,174</u>	<u>15,135,885</u>

The analysis of the group's Turnover for the year by market is as follows:

	2023	2022
	£	£
UK	<u>25,958,174</u>	<u>15,135,885</u>

4 Other operating income

The analysis of the group's other operating income for the year is as follows:

	2023	2022
	£	£
Coronavirus Job Retention Scheme	<u>-</u>	<u>164,185</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

5 Operating profit/(loss)

Arrived at after charging/(crediting)

	2023	2022
	£	£
Depreciation expense	402,722	132,315
Profit on disposal of property, plant and equipment	(1,673)	(3,147)
	<u>401,049</u>	<u>129,168</u>

6 Other interest receivable and similar income

	2023	2022
	£	£
Other finance income	(12)	-
	<u>(12)</u>	<u>-</u>

7 Interest payable and similar expenses

	2023	2022
	£	£
Interest on bank overdrafts and borrowings	18	-
Interest on obligations under finance leases and hire purchase contracts	10,058	11
Interest expense on other finance liabilities	93	27,038
	<u>10,169</u>	<u>27,049</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

8 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2023	2022
	£	£
Wages and salaries	6,871,915	5,803,536
Social security costs	816,088	683,078
Other short-term employee benefits	12,973	12,180
Pension costs, defined contribution scheme	270,535	231,997
	<u>7,971,511</u>	<u>6,730,791</u>

The average number of persons employed by the group (including directors) during the year, analysed by category was as follows:

	2023	2022
	No.	No.
Production	65	59
Administration and support	57	50
Sales	7	7
	<u>129</u>	<u>116</u>

9 Directors' remuneration

The directors' remuneration for the year was as follows:

	2023	2022
	£	£
Remuneration	509,042	498,680
Contributions paid to money purchase schemes	50,400	50,400
	<u>559,442</u>	<u>549,080</u>

In respect of the highest paid director:

	2023	2022
	£	£
Remuneration	168,000	169,098
Company contributions to money purchase pension schemes	16,800	16,800

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

10 Auditors' remuneration

	2023 £	2022 £
Audit of these financial statements	4,000	3,500
Audit of the financial statements of subsidiaries of the company pursuant to legislation	26,800	25,125
	<u>30,800</u>	<u>28,625</u>

11 Taxation

Tax charged/(credited) in the consolidated income statement

	2023 £	2022 £
Current taxation		
UK corporation tax	64,511	116,804
UK corporation tax adjustment to prior periods	(872)	-
	<u>63,639</u>	<u>116,804</u>
Deferred taxation		
Arising from origination and reversal of timing differences	(47,386)	(152,606)
Arising from changes in tax rates and laws	(14,964)	(113,476)
	<u>(62,350)</u>	<u>(266,082)</u>
Total deferred taxation	(62,350)	(266,082)
Tax expense/(receipt) in the income statement	<u>1,289</u>	<u>(149,278)</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2022 - lower than the standard rate of corporation tax in the UK) of 19% (2022 - 19%).

The differences are reconciled below:

	2023 £	2022 £
Profit/(loss) before tax	<u>321,891</u>	<u>(466,143)</u>
Corporation tax at standard rate	61,159	(88,567)
Effect of revenues exempt from taxation	(62,293)	(7,858)
Effect of expense not deductible in determining taxable profit (tax loss)	11,716	56,973
Deferred tax credit relating to changes in tax rates or laws	(14,964)	(113,476)
Decrease in UK and foreign current tax from adjustment for prior periods	(872)	-
Tax increase from effect of capital allowances and depreciation	6,543	3,650
Total tax charge/(credit)	<u>1,289</u>	<u>(149,278)</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

11 Taxation (continued)

Deferred tax

Group

Deferred tax assets and liabilities

	Asset £	Liability £
2023		
Accelerated capital allowances	(211,206)	-
Short term timing differences	746,373	-
	<u>535,167</u>	<u>-</u>
	Asset £	Liability £
2022		
Accelerated capital allowances	(24,954)	-
Short term timing differences	497,770	-
	<u>472,816</u>	<u>-</u>

12 Tangible assets

Group

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2022	502,536	748,009	595,878	1,846,423
Additions	-	66,483	1,027,378	1,093,861
Disposals	-	-	(80,270)	(80,270)
	<u>502,536</u>	<u>814,492</u>	<u>1,542,986</u>	<u>2,860,014</u>
Depreciation				
At 1 April 2022	99,678	545,083	442,689	1,087,450
Charge for the year	16,329	84,756	301,637	402,722
Eliminated on disposal	-	-	(72,359)	(72,359)
	<u>116,007</u>	<u>629,839</u>	<u>671,967</u>	<u>1,417,813</u>
Carrying amount				
At 31 March 2023	<u>386,529</u>	<u>184,653</u>	<u>871,019</u>	<u>1,442,201</u>
At 31 March 2022	<u>402,858</u>	<u>202,926</u>	<u>153,189</u>	<u>758,973</u>

Included within the net book value of land and buildings above is £294,000 (2022 - £294,000) in respect of freehold land and buildings and £92,529 (2022 - £108,858) in respect of leasehold improvements.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

12 Tangible assets (continued)

Assets held under finance leases and hire purchase contracts

The net carrying amount of tangible assets includes the following amounts in respect of assets held under finance leases and hire purchase contracts:

	2023	2022
	£	£
Motor vehicles	752,629	-

13 Investment properties

Group

	2023
	£
At 1 April	<u>3,491,917</u>
At 31 March	<u>3,491,917</u>

The original property was acquired by the company in November 2018, and was revalued by Bradley Hall Chartered surveyors during the prior year with the fair value being reflected.

The directors consider there to be no movement in the fair value at the balance sheet date. In addition, during the prior year a further property was acquired and the directors consider the purchase price to be equal to the fair value at the balance sheet date.

14 Investments

Company

	2023	2022
	£	£
Investments in subsidiaries	20,200	20,200
Investments in joint ventures	3,000	3,000
	<u>23,200</u>	<u>23,200</u>

Subsidiaries

	£
Cost or valuation	
At 1 April 2022	<u>20,200</u>
At 31 March 2023	<u>20,200</u>
Carrying amount	
At 31 March 2023	<u>20,200</u>
At 31 March 2022	<u>20,200</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

14 Investments (continued)

Joint ventures	£
Cost	
At 1 April 2022	3,000
At 31 March 2023	3,000
Provision	
At 1 April 2022	-
At 31 March 2023	-
Carrying amount	
At 31 March 2023	3,000
At 31 March 2022	3,000

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2023	2022
Subsidiary undertakings				
UpNorth Engineering Services Limited	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	Ordinary	100%	100%
Metropolis Land & Property Developments Limited	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	Ordinary	100%	100%
Edge Power Generation & Utility Companies Ltd	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	Ordinary	100%	100%
Dark Parx Limited	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	Ordinary	100%	100%
Dark Citi Limited	Merlin House, Princesway, Gateshead, Ne11 0NF England and Wales	Ordinary	100%	100%
Powr Parx Limited	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	Ordinary	100%	100%

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

14 Investments (continued)

Joint ventures

Barrio Comida Limited	Merlin House, Princesway, Gateshead, NE11 0NF England and Wales	A shares	33.3%	33.3%
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Subsidiary undertakings

UpNorth Engineering Services Limited

The principal activity of UpNorth Engineering Services Limited is that of air conditioning and refrigeration engineers.

Metropolis Land & Property Developments Limited

The principal activity of Metropolis Land & Property Developments Limited is that of a property development company.

Edge Power Generation & Utility Companies Ltd

The principal activity of Edge Power Generation & Utility Companies Ltd is that of a dormant company.

Dark Parx Limited

The principal activity of Dark Parx Limited is that of a dormant company.

Dark Citi Limited

The principal activity of Dark Citi Limited is that of a dormant company.

Powr Parx Limited

The principal activity of Powr Parx Limited is that of a dormant company.

Joint ventures

Barrio Comida Limited

The principal activity of Barrio Comida Limited is the operation of a Mexican restaurant in the City of Durham.

15 Stocks

	2023	Group 2022	2023	Company 2022
	£	£	£	£
Raw materials and consumables	119,025	145,626	-	-

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

16 Debtors

	Note	2023 £	Group 2022 £	2023 £	Company 2022 £
Trade debtors		5,375,255	3,130,543	5,550	-
Amounts owed by related parties	<u>25</u>	154,259	125,918	4,651,367	4,620,451
Other debtors		109,669	166,359	-	-
Prepayments		540,728	580,525	4,346	15,473
Deferred tax assets	<u>11</u>	535,167	472,816	-	1,797
Corporation tax asset	<u>11</u>	23,026	-	-	-
Directors loan accounts		628,816	-	-	-
		<u>7,366,920</u>	<u>4,476,161</u>	<u>4,661,263</u>	<u>4,637,721</u>

Mr S A Grierson and Mrs V Grierson were advanced £1,357,140 and repaid £728,324 during the year. Subsequent to the balance sheet the year end balance has been repaid in full.

17 Cash and cash equivalents

	2023 £	Group 2022 £	2023 £	Company 2022 £
Cash at bank	<u>4,039,322</u>	<u>2,392,158</u>	<u>785</u>	<u>3,295</u>

18 Creditors

	Note	2023 £	Group 2022 £	2023 £	Company 2022 £
Due within one year					
Loans and borrowings	<u>19</u>	178,092	-	-	-
Trade creditors		4,924,741	1,752,092	514	11,882
Amounts due to related parties	<u>25</u>	3,000	3,000	3,000	3,295
Social security and other taxes		700,402	511,914	308,801	217,615
Outstanding defined contribution pension costs		59,026	40,756	-	-
Accruals		1,450,389	834,662	31,342	50,690
Corporation tax liability	<u>11</u>	-	63,334	-	-
Directors loan accounts		-	-	30	30
		<u>7,315,650</u>	<u>3,205,758</u>	<u>343,687</u>	<u>283,512</u>
Due after one year					
Loans and borrowings	<u>19</u>	<u>764,056</u>	<u>-</u>	<u>-</u>	<u>-</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

19 Loans and borrowings

	2023 £	Group 2022 £	2023 £	Company 2022 £
Current loans and borrowings				
Hire purchase and finance lease liabilities	178,092	-	-	-
	<u>178,092</u>	<u>-</u>	<u>-</u>	<u>-</u>
	2023 £	Group 2022 £	2023 £	Company 2022 £
Non-current loans and borrowings				
Hire purchase and finance lease liabilities	764,056	-	-	-
	<u>764,056</u>	<u>-</u>	<u>-</u>	<u>-</u>

20 Pension and other schemes

Defined contribution pension scheme

The group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £270,535 (2022 - £231,997). Contributions totalling £59,026 (2022 - £40,756) were payable to the scheme at the end of the year and are included in creditors.

21 Share capital

Allotted, called up and fully paid shares

	No.	2023 £	No.	2022 £
Ordinary shares of £1 each	20,000	20,000	20,000	20,000
	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>

22 Obligations under leases and hire purchase contracts

Group

Finance leases

Finance lease payments represent initial rentals payable for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

22 Obligations under leases and hire purchase contracts (continued)

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Not later than one year	178,092	-
Later than one year and not later than five years	764,056	-
	<u>942,148</u>	<u>-</u>

Operating leases

The total of future minimum lease payments is as follows:

	2023	2022
	£	£
Not later than one year	367,721	325,409
Later than one year and not later than five years	817,883	783,059
Later than five years	303,462	500,000
	<u>1,489,066</u>	<u>1,608,468</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £325,409 (2022 - £13,456).

23 Dividends

	2023	2022
	£	£
Interim dividend of £Nil (2022 - £50) per ordinary share	-	1,000,000
	<u>-</u>	<u>1,000,000</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

24 Analysis of changes in net debt

Group

	At 1 April 2022 £	Financing cash flows £	New finance leases £	At 31 March 2023 £
Cash and cash equivalents				
Cash	2,392,158	1,347,164	-	3,739,322
Borrowings				
Lease liabilities	-	37,441	(979,589)	(942,148)
	<u>2,392,158</u>	<u>1,384,605</u>	<u>(979,589)</u>	<u>2,797,174</u>

25 Related party transactions

Group

Key management compensation

	2023 £	2022 £
Salaries and other short term employee benefits	509,042	506,307
Post-employment benefits	50,400	50,400
	<u>559,442</u>	<u>556,707</u>

UpNorth Group Limited

Notes to the Financial Statements for the Year Ended 31 March 2023 (continued)

25 Related party transactions (continued)

Dividends paid to directors

	2023 £	2022 £
V Grierson		
Dividends	-	250,000
	=====	=====
J A Soulsby		
Dividends	-	150,000
	=====	=====
S A Grierson		
Dividends	-	600,000
	=====	=====

Summary of transactions with other related parties

Exmet Investments Limited is a related party due to common directors. During the year, Upnorth Engineering Services Limited paid rent of £120,000 (2022 - £200,000) for Unit 2 Kings Court to Exmet Investments Limited. There was £13 in debtors outstanding at the year end.

Barrio Comida Limited is a related party due to common directors. During the year, Upnorth Engineering Services Limited accrued gross sales to Barrio Comida Limited for work completed of £65,135 (2022: £99,384) and charged management charges of £30,000 (2022: £30,000). The directors had provided against the entire accrued income balance as at 31 March 2021. The unprovided et balance at the year end within debtors is £92,040 (2022: £36,211).

Gastronorth Limited is a related party due to common directors. During the year, Upnorth Engineering Services Limited made sales of £232,452 (2022: £280,684) to Gastronorth Limited. During the year, Gastronorth Limited made sales of £12,412 (2022: £6,347) to Upnorth Engineering Services Limited. The balance outstanding at the year end included in debtors is £61,272 (2022: £82,131). There is also an amount of £934 due from Gastronorth Limited to Upnorth Group Limited at the year end.

4NG Limited is a related party due to common directors. During the year, 4NG Limited there were no recharged costs (2022: £2,538) to Upnorth Engineering Services Limited.

26 Parent and ultimate parent undertaking

The ultimate controlling party is Mr S A Grierson and Mrs V Grierson.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.