Registered number: 08453465

JSSH LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

JSSH LIMITED

COMPANY INFORMATION

Directors	J Seddon H M Oakey J S Seddon S C Nuttall M L Owen N A Masom
Company secretary	C Bratt
Registered number	08453465
Registered office	Manor House Manor Lane Holmes Chapel Cheshire CW4 8AF
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS
Bankers	Lloyds Commercial Banking Units 2 & 3 Caxton Gate 36/38 New Street Birmingham B2 4LP

JSSH LIMITED

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GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

Principal activity

The principal activity of the Group during the year was that of planned, responsive and cyclical maintenance and refurbishment, combined with property holding and management services.

Business and financial review

The Group has had a strong year in 2022, delivering record revenues and an increase in profitability, this is against a backdrop of some very challenging market conditions.

Despite inflationary and supply chain pressures, exacerbated by the conflict in Ukraine, the 2022 performance of our contracting business, Novus Property Solutions ('Novus') demonstrates resilience and serves to highlight its many strengths. These include the additional resilience provided by our market sector, geographical and client diversity, the talent and commitment of our workforce, our supply chain and our strong financial position. Throughout these challenges, Novus remained focussed on its long-term strategic goals and continued to invest in our people, digitisation and business development.

Our regional maintenance and refurbishment businesses (MAPS) serve the social housing maintenance sector and continue to show strong growth. We made improvements to over 23,000 homes in 2022, making a real difference to the communities we work in. This market is worth £3.4bn annually with the focus of the sector being decent homes (reactive and planned upkeep), compliance and decarbonisation. We are well placed with our MAPS offering to support our clients in each of the three market pillars.

We have continued to develop our Novus Interiors workstream, a national 'fast-track' refurbishment business, by widening its focus to cover healthcare and education as well as large retail, leisure and hospitality clients. In 2022 we delivered significant projects for our key retail clients and refurbished over 2000 hotel rooms.

Our investment into business development has resulted in a strong year of contract wins placing Novus in 5th place in the Top 50 Contractors league table (Sept 2021 – Aug 2022) with over 84% of budgeted turnover for 2023 already secured at the time of signing these accounts.

During 2021, Novus took the decision to close its Build division due to the increasing difficulty of making a commercial return in this market. Whilst the closeout of a number of projects has materially impacted the results in the year, most of these projects are now completed or are nearly completed. Consequently, we expect a much-reduced impact from this division in 2023.

Given the material impact of the Novus Build operation on the results for the year, the Group has classified it as a 'Discontinued operation' in the results for the year. The directors believe that this gives a more accurate understanding of the performance of the Group.

The strength of our core businesses as we exit the pandemic was demonstrated in the underlying results of the Group, with turnover for continuing operations increasing by 41% in the year to £183.4m *(2021: £130.4m)* and despite inflationary pressures on our cost base the Group returned a strong operating profit from continuing operations of £6.6m *(2021: £8.5m)* and benefitted from a £1.7m profit on the sale and leaseback of our vehicle fleet.

SHS Estates, our property business, is a trading division of JSSH Limited which holds and manages a varied investment property portfolio. During the year we further strengthened this portfolio with a cash investment of £4.7m resulting in a year end valuation of £39.4m *(2021: £34.4m)*. External valuations were performed on one third of the property portfolio during the year resulting in a fair value uplift reported through profit of £0.4m *(2021: £1.0m)*. To ensure the ongoing strength of the portfolio, during the year the directors made a number of large investments into major works, some of which had been delayed due to the pandemic. Despite rental income remaining at a similar level to the prior year, the additional property expenditure led to the underlying profit, before fair value, reducing to £1.8m in the year *(2021: £2.1m)*. The levels of voids and arrears continue to remain low reflecting the ongoing benefits of maintaining close relationships and working flexibly with tenants.

The Group remains in a very strong financial position with a balance sheet that comprises £56.6m *(2021: £55.1m)* of net assets of which £12.3m *(2021: £22.5m)* is cash. The fall in cash held in the year includes a £4.7m investment into the SHS Estates property portfolio, as well as a £3.5m investment into a diversified growth fund held as a current asset investment, this fund will be used as a self-insurance fund for the benefit of the Group. The Group also continues to have no external debt.

	2022	*2021*	Measure
Growth in turnover	**30.1%**	*17.3%*	Year on year sales
Gross profit margin	**6.9%**	*7.8%*	Gross profit/turnover
Underlying gross profit margin	**9.1%**	*13.0%*	Continuing operations gross profit/turnover
Operating profit margin	**1.6%**	*1.9%*	Operating profit/turnover
Underlying operating profit margin	**3.6%**	*6.5%*	Continuing operations operating profit/turnover
AROC days (Novus)	**63**	*60*	AROC/ Turnover x 365 days
Social value projects delivered	**200**	*130*	
Staff retention (Novus)	**73.0%**	*60.0%*	Average staff retained in year/average staff
Number of apprentices and trainees	**71**	*63*	
SHS Estates rent arrears	**3.41%**	*3.62%*	Arrears/total current rent
SHS Estates void units	**3.08%**	*2.62%*	Rental value of voids/total current rent

Other than general economic risks and fluctuations in the property market, the principal risks facing the Group are those relating to the specific markets we operate in and those relating to government planning and other regulations. Significant levels of the current activity of the Group relate to local authorities and housing associations, both of which could be impacted by legislation or changes to government spending priorities. Further narrative on the principal risks and uncertainties is noted in the Director's report.

Future Review

Our Group is a national business built on family values and dates back to 1897. We place a strong emphasis on being a responsible business and serving the wider community, something which has earned Novus national recognition at numerous industry awards. Novus is a leading specialist in planned property maintenance, building refurbishment, compliance, and decarbonisation services.

Our Group is differentiated by our unique combination of a contracting business and a property management business giving us strength of balance sheet, setting us aside from many of our competitors. We mix our traditional values and innovative thinking, with our strive for continuous improvement through a collaborative approach.

We offer unrivalled client satisfaction. Our commitment to training and quality of service is delivered through an ethos that combines stability, integrity, honesty, and sound policies and principles.

In 2021 Novus set itself an ambitious five–year plan which is focused on building a legacy where people can live, work and thrive. The plan has four strategic priorities:

- Deliver operational excellence.
- Deliver our responsible business credentials.
- Make Novus a great place to work.
- Develop long term partnerships, building a sustainable pipeline.

The plan is supported by significant investment in people, processes and systems and is already showing tangible results.

At the time of signing the accounts, Novus has secured work of £169m for 2023 which represents over 84% of budgeted turnover.

SHS Estates holds a varied investment property portfolio and continues to work closely with tenants. The portfolio is managed with a goal of longevity, with sustainability being high on the agenda for the coming years.

We are well placed to deliver our strategic plan providing an opportunity for employees to prosper and grow in a financially secure environment.

Section 172 statement

The directors of the Company recognise their duty to promote the success of the Company for the benefit of all stakeholders.

The directors regard the long-term development of the business as an overarching objective of the Board, maintaining the family enterprise that has been in business since 1897. The business planning process, management incentivisation, customer and supply relationships, people development are all designed to focus on generating sustainable growth.

Both Novus and SHS Estates are people-based businesses, many of the tasks we do are dependent on the skills and expertise of our people and as such they are highly prized by the Board. Personal development, staff engagement surveys and apprenticeship programmes are all Group policy. No form of discrimination against any minority is tolerated within the Group, as evidenced by our gender pay gap initiative and a recruitment policy where diversity is valued.

A key element of the sustained success of the Group is the ability to forge strong relationships with customers and suppliers, the values at the heart of the business drive behaviours that encourage these outcomes.

More detail in respect of the director's duty to promote the success of the Company can be seen in the Director's report.

This report was approved by the board and signed on its behalf.

Neil Masom

N A Masom
Director
Date: 4/5/2023

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Results and dividends

The results of the Group for the year to 31 December 2022 are set out in detail on page 18. The Group profit after taxation for the financial year amounted to £2,838,000 *(2021: £2,831,000)*.

Ordinary dividends of £1,173,000 *(2021: £478,000)* were paid during the year.

Directors

The directors who served during the year and up to the date of this report were:

J Seddon
H M Oakey
J S Seddon
S C Nuttall
M L Owen
N A Masom

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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, including FRS 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’). 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 and profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

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

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Health and safety of employees

Our goal is to make our Group a safer place for colleagues, partners, clients and customers, this remains our number one priority. The focus of Novus for 2022 was to transform our approach from that of a 'policing' nature to a 'coaching' nature, creating a high participation safety culture. Our ultimate measures of success were a 70% reduction in reportable RIDDORs in the year coupled with a threefold increase in safety observations.

To support this goal the SHEA team have focused on the launch of 'Safety First' through the delivery of Safety Roadshows across our business fully supported by the Board of Directors. The Safety-First Roadshow's focused on 'a positive culture', a 'collective responsibility' and 'high participation''. The key supply chain partners of Novus were invited to these roadshows as an extension of our business.

During 2022 we introduced a new online SHE Management system which will allow operations to manage our projects through a digital platform. The system will provide real time information, dashboards to our senior management team and will enable our SHEA team in focus our campaigns, coaching and training programs aligned to best practice and continuous improvement.

Our SHEA team has been further enhanced through further investment in our Assurance team who provide coaching and support to our operational teams around passive fire protection, gas and electrical compliance in addition to assurance through 'work in progress' and 'post work' inspections.

The SHEA team through our SHE Coaches provide support to our operational teams through involvement in the both the planning and pre-start health and safety arrangements of our projects. Whilst providing assurance to the Board through SHE inspections, our SHE Coaches also focus on assisting our site supervisors and site managers with health, safety, and environmental matters on our projects reviewing future activities and developing safe systems of work to ensure the safe delivery of our activities.

Environmental policy

The Group is committed to responsible energy management and will practice energy efficiency through our organisation wherever possible. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

Statement of carbon emissions in compliance with the Streamlined Energy and Carbon Reporting ('SECR')

Basis of preparation

For the purposes of this report, we are disclosing our Scope 1, 2 and 3 emissions for the Group in accordance with the mandatory Environmental Reporting Guidelines.

Mandatory greenhouse gas emissions - Scope 1 & 2				
Reporting Period – Year End	**31 December 2022**		31 December 2021	
Total energy usage (Scope 1 & 2)	**13,006,538**	**kWh**	9,478,667	kWh
Total emissions (Scope 1 & 2)	**3,292**	**tCO2e**	2,349	tCO2e
Carbon Credits (Scope 1 Fleet)	**2,802**	**tCO2e**	620	tCO2e
Revised Total Emissions (Scope 1 & 2)	**490**	**tCO2e**	1,729	tCO2e
Intensity ratio Pre-Offset	**17.4**	**tCO2e/£1m**	16.2	tCO2e/£1m
Intensity ratio Post-Offset	**2.6**	**tCO2e/£1m**	11.9	tCO2e/£1m

Mandatory greenhouse gas emissions - Scope 3				
Reporting Period – Year End	**31 December 2022**		31 December 2021	
Total energy usage (Scope3)	**1,591,467**	**kWh**	1,325,540	kWh
Total emissions (Scope 3)	**406**	**tCO2e**	329	tCO2e
Intensity ratio	**2.2**	**tCO2e/£1m**	2.3	

Voluntary disclosure- greenhouse gas emissions - VScope 3				
Reporting Period – Year End	**31st December 2022**		31st December 2021	
UK Electricity UK Elec T&D (VScope 3)	**8**	**tCO2e**	9	tCO2e
Waste (VScope 3)	**268**	**tCO2e**	194	tCO2e
Total emissions (VScope 3)	**275**	**tCO2e**	202	tCO2e
Intensity ratio	**1.5**	**tCO2e/£1m**	1.4	tCO2e/£1m

Methodology used in the calculation of disclosures

For the purposes of this SECR report, we have identified our emissions-releasing activities, based on operational boundaries, as follows:

- **Scope 1** – Use of company fleet vehicles in the execution of works and associated activities related to Group operations, including company leased, owned, and hired vehicles.
- **Scope 2** – Energy emissions resulting from utility usage (gas and electricity), at all branch and satellite offices, including the Novus and SHS Estates head office locations.
- **Scope 3** – 'Grey fleet' vehicles (employee owned/leased/hired vehicles), used in connection with work activities that can be classed as 'business travel' are also included within the operational boundary of Scope 3 Intensity Ratio.
- **Voluntary Scope 3** - Emissions resulting from operational site waste disposal and UK Electricity Transport & Distribution. Novus are considering the operational boundaries of their activities and will add other emission releasing activities to this Scope category in future years.

Intensity Ratio

An intensity ratio is the definition of emissions data in relation to a business metric. For the purpose of this SECR report, intensity ratios are calculated using tonnes of CO2e per £ million of revenue.

The intensity ratio (Pre-Offset) has increased by 7%, this reflects an increase utilisation of our vehicle fleet following the relaxing of COVID 19 restrictions in 2022 compared with 2021. After including the impact of carbon-offsetting the intensity ratio fell by over 78% in the year.

Energy efficiency actions implemented in reporting year

Novus operate an ISO 14001:2015 certified Environmental Management System that drives environmental improvements through establishing energy efficiency objectives and targets and the implementation of programmes to achieve these. In 2022, the following key actions were taken to support our objectives:

- We continue to invest in our staff awareness by providing members of our senior leadership team with IEMA Environmental Management in Construction training;
- We have successfully achieved gold level at the Supply Chain Sustainability School. The school is an award-winning industry wide collaboration, providing the skills and knowledge to deliver a sustainable future;
- We have delivered Carbon reduction presentations to our operational teams detailing how they can help to achieve our targets;
- We have maintained green energy tariffs across each of our Novus offices (where we are responsible for energy procurement);

- We have maintained hybrid working policies to build upon the efficiencies and reductions seen during the pandemic due to reduced travel and better use of teleconferencing technology;
- Sustainable travel planning continues via work scheduling software;
- We continue to roll out environmental awareness training to all colleagues to ensure a standard level of knowledge in which to grow initiatives and increase staff energy awareness to reduce energy consumption etc;
- SMART energy meters continue to be installed across the remainder of our office assets to increase the visibility of data and improve accuracies;
- We have continued to invest in our fleet and continue to increase the number of Euro 6 compliant vehicles;
- We have introduced transport energy reduction initiatives including on-going replacement of fleet with reduced emission vehicles, improvements in our telematics system to assist measuring and managing fuel usage;
- Salary sacrifices scheme launched to encourage lower carbon grey fleet via tax efficient savings.

Energy efficiency actions for 2023

The following energy efficiency measures are planned for implementation during 2023:

- We will reduce our fleet emission intensity ratio by 5%;
- We will plant over 750 trees, one for each colleague during the year;
- We will be continuing environmental communications via SHE moments, a monthly topic discussed at all internal meetings and communicated to Novus site teams;
- We will release further environmental training through the Supply Chain Sustainability School;
- Our procurement team will complete self-assessments and undertake training on the Supply Chain Sustainability school to upskill them as part of our procurement strategy;
- Continue the implementation of our Environmental Commitments Plan – The five-year plan to drive energy and waste efficiencies on our journey towards Carbon Net Zero;
- We will reduce our waste by applying circularity working with our key clients and partnering with their environmental strategies;
- Continued development of carbon tracking solutions in relation to waste, fleet and energy;
- We will increase the use of e-learning training to reduce the number of face-to-face training sessions and associated travel;
- We will implement recommendations from our office energy reviews to provide additional improvements;
- We will be installing electric charging infrastructure within our offices to assist with carbon reduction targets.

Energy efficiency intensity target for 2026

Through implementation of our Environmental Commitments Plan and the above measures we aim for significant improvements in Scope 1 and 2 energy efficiency to achieve a reduction in the intensity ratio of 30% from our baseline year, by 2026.

Corporate social responsibility strategy

The impact of the pandemic and the cost-of-living crisis place additional challenges not only on delivering our core services, but on our colleagues, customers, and wider communities we operate in. For this reason, our Responsible Business strategy and delivering on our purpose of ‘Building a legacy where people can live work and thrive’ is more important than ever.

To show our commitment to being a responsible business Novus are a member of Business in the Community and through this network of business members support a movement to create a fair and sustainable world in which to live and work. Novus campaign with more than 600 members who challenge themselves to continually grow their responsible business practices, uniting in our efforts for greater social and environmental impact in our communities. In 2022 Novus undertook the ‘BITC Responsible Business Tracker’. The Tracker is BITC’s ‘Responsible Business’ Bench Marking Accreditation built around the UN’s Sustainable Development Goals (SDGs). BITC benchmarked Novus against its sector and wider marketplace and awarded Novus the Responsible Business ‘Tracker Mark’. Novus improved its benchmark score by 13% against its 2020 benchmark, which shows our commitment and progress in this area.

We also produced and communicated a Responsible Business Report 2022, which is accessible via the Novus website. The Report updates on all aspects of our Responsible Business approach.

We launched our Responsible Business campaign called ‘Build Back Better’ in 2020 and this continued to make a difference in 2022. We involved our employees from the outset to help shape our focus areas, and within this campaign we also launched our ‘Volunteer Hero’ initiative allowing every Novus colleague to utilise 8 hours of volunteer time each year to support a cause important to them.

Inspired by the UN Sustainable Development Goals, the business identified three areas of focus for our Build Back Better campaign:

- Goal 1: Reducing Poverty,
- Goal 3: Good Health and Wellbeing,
- Goal 13: Climate Action.

Within these goals, our colleagues highlighted considerations such as Homelessness, Food Banks, Skills Development, Mental Health, Recycling and Reducing Waste, with which to prioritise our activity.

In 2022, we addressed the goal of ‘Reducing Poverty’ by launching a National Food Bank Appeal that involved our colleagues throughout the UK supporting 15 Food Banks projects. We also continued the ‘Build Back Better Challenge’ which involved our colleagues, clients and supply chain and the wider community nominating causes they feel are deserving of additional funding and support from Novus. Over 200 Social Value initiatives were evidenced across 2022 reinforcing the additional social and economic impact Novus deliver in addition to our contracted work.

To support our colleagues with ‘Good Health and Wellbeing’ we continued with our mental health first aiders programme, with 10 embedded across the business. Building on from all our managers completing mental health awareness training in 2021, we delivered a Health and Wellbeing Calendar through the year with a range of health and wellbeing initiatives to support our colleagues. Areas we provided support and advice included, Mental Health Awareness Week, managing stress, healthy eating, financial advice and promoting the benefits of volunteering through our Giving Back Week.

Finally, as Novus are committed to positive ‘Climate Action,’ we have developed a 5-year plan that incorporates ambitious targets to reduce our carbon footprint. Through our Environmental Commitments, we will be actively engaging with our suppliers, contractors, and clients to raise the environmental agenda and encourage reductions in CO2 emissions.

Our commitment to being a responsible business was acknowledged in the marketplace with Novus being shortlisted for Construction News Specialists Awards for Excellence in Social Value and the Construction News Workforce Awards for CSR Initiative of the Year.

Novus could not have delivered the impact we did without the involvement and support of its colleagues. The Group remains absolutely committed to being a responsible business, a force for good, and to making a difference in the communities in which we work.

Employee engagement

We recognise that our ‘colleague experience’ must be as good as we can make it if we are to attract and retain the best people in the industry. Meeting people’s expectations is more challenging than it has ever been, but by focusing on those areas which impact on how people feel about their role, the work they do, their relationship with the organisation, line manager and colleagues and ensuring they feel valued and recognised for the work they do, we will grow our reputation and set us apart from our competitors. That’s why we have launched our people strategy with this at its heart.

We have talented teams delivering for our customers across the whole of the UK and we want our workforce to reflect the communities in which we work. We are committed to developing an inclusive workplace, creating an environment which allows our people to thrive and enhancing diversity to deliver more value for our employees, clients and customers. We have launched an Inclusion Strategy that has key focus areas to achieve this.

We recognise that ‘growing our own’ talent is essential for our future success, and this is borne out by our ongoing commitment to our apprenticeship programme. We recruited 20 apprentices in 2022, with another cohort planned for 2023. We are continually strengthening our internal offering to our apprentices ensuring we have a programme that meets individual and business needs and that reinforces our reputation as an ‘Employer of choice'.

Business relationships

The Group is committed to creating and sustaining long term relationships with our customers, suppliers, and partners. We have customers that have been with us for over 30 years in the housing, education and health sectors and we take great pride in the value derived from these clients where trust and support are a fundamental aspect of the relationship. The social context of our markets and the contribution that we make in providing homes, health and education for the wider population is inspiring. This holds true to the values of our shareholders.

Similarly, in our supply chain we seek to provide fair and valuable work that can be executed with quality and on time. We aim to attract a supply chain that is sustainable, customer service orientated, socially and environmentally responsible. These attributes need to be nurtured and require time and effort to develop. We are determined to choose the best partners possible.

The Group’s relationships with its supply chain partners are of strategic importance and its actions and behaviours towards them during these challenging times are viewed as key to the Group’s future success. Consequently, the prompt payment of its suppliers has remained a major area of focus throughout the year and even more so against the backdrop of the challenging economic environment.

For the formal Payment Practices Reporting period of 1 July 2022 to 31 December 2022, Novus’ average time taken to pay invoices was 34 days, with over 90% of its invoices paid within 60 days.

Financial risk management objectives and policies

The Group uses financial instruments, these include cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The existence of these financial instruments exposes the Group to a number of financial risks which are described in more detail below:

- *Liquidity risk* - The Group seeks to manage financial risk by ensuring enough liquidity is available to meet predictable needs and to invest cash safely and profitably. Short term flexibility is achieved by an overdraft facility if required.

- *Credit risk* - The Group's principle financial assets are cash deposits, amounts recoverable on contracts and trade debtors. The credit risk associated with cash is limited. The directors do not consider there to be any material credit risk, as given the nature of the principle business, cash is received on completion of contract, subject to agreed payment terms which are closely monitored.

- *Inflation risk* - Exposure to unforeseen increases in material and labour costs on existing contracts could impact margins. Supply agreements are continually reviewed and where possible supply and client terms are matched.

- *Interest rate risk* - The Group finances its operations through retained profits. The interest rate exposure of the financial assets and liabilities of the Group at 31 December 2022 is shown below. The table includes trade debtors, trade creditors and amounts recoverable on contracts, as these do not attract interest and are therefore subject to fair value interest rate risk.

	Fixed £000	Floating £000	Zero £000	**Total £000**
Financial assets				
Cash	-	12,310	-	**12,310**
Trade debtors	-	-	718	**718**
Amounts recoverable on contracts	-	-	29,220	**29,220**
	-	12,310	29,938	**42,248**

	Fixed £000	Floating £000	Zero £000	**Total £000**
Financial liabilities				
Trade creditors	-	-	10,636	**10,636**

Other principal risks and uncertainties:

- *Health and safety* – Accidents are a major risk in the construction industry given the working environment; working safely is a primary focus of our business. The Group is committed to effective leadership and safety procedures being in place. Performance is regularly reviewed against agreed targets and the business seeks continuous improvement.

- *Market Risk* – The business could be impacted by reductions in public and private sector spending which may lead to a delay in cash receipts or the cancellation of work. The Group has a diversified customer base and service offering across market sectors to limit exposure.

- *People* – Our people are critical to achieving our strategic plans and our ability to attract and retain experienced employees who demonstrate the Group's values is a key objective. We seek to mitigate the risk of skills shortages by offering a high standard of training and personal development opportunities, competitive reward structure and a positive employment experience.

- *Fraud/Cyber security* – The risk of unauthorised access to our IT systems is recognised as a potential threat to the business. We take steps as part of our IT management to ensure we are continually monitoring and improving our cyber security awareness for all staff. The Group engages external consultants to perform penetration testing and has invested in automated threat detection software.

- *Delivery risk* – We work in a changing and dynamic environment. Each project is unique to the client. There is a risk that our delivery does not meet with clients' specifications which could lead to losses. We seek to mitigate this risk through our client engagement process. We aim to accurately record client requirements and capture contractual variations through the life of the contract.

Qualifying third party indemnity provisions

Directors' insurance cover has been established for all directors to provide appropriate cover for their reasonable actions on behalf of the Company. The indemnities were in force during the 2022 financial year and remain in force for all directors of the Company.

Matters covered in the Group strategic report

A detailed review of performance and future outlook is included within the Strategic report.

Disclosure of information to auditors

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and

- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Subsequent events

There have been no balance sheet events, adjusting or non-adjusting, since the end of the reporting period.

Going concern

The directors have reviewed the Group's budgets, forecasts and liquid resources for the 12 months from the date of this report. These forecasts demonstrate that the Group will have sufficient cash resources for a period of at least one year.

Thus, the directors have at the time of approving these financial statements, an expectation that the Group has adequate resources to continue in operational existence for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements.

Consequently, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Auditor

The auditors, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Neil Masom

N A Masom
Director
Date: 4/5/2023

Grant Thornton

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JSSH LIMITED

Opinion

We have audited the financial statements of JSSH Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated and Company Statement of changes in equity, the Consolidated Statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 December 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor’s opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as Brexit, Covid-19, the crisis in Ukraine and the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JSSH LIMITED (CONTINUED)

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the 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 Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JSSH LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

Matters on which we are required to report by exception

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 for the financial statements

As explained more fully in the Directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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Auditors' 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 Auditors' 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the parent Company and the Group, and determined that the most significant are those that relate to the reporting frameworks (FRS 102 and the Companies Act 2006) and applicable Health and Safety legislation (The Health and Safety at Work Act 1974);
- We understood how the parent Company and the Group are complying with those legal and regulatory frameworks by making enquiries of management, and those charged with governance of the entity. We corroborated our enquiries through our review of board minutes and papers provided to the Board;
- We assessed the susceptibility of the parent Company and the Group's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included; Evaluation of the processes and controls established to address the risks related to irregularities and fraud and testing of journal entries, in particular entries relating to management estimates, large or unusual transactions;
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client operates in and understanding of, and practical experience through training and participation with audit engagements of a similar nature;
- From the procedures performed we did not identify any matters relating to non-compliance with laws and regulation or matters in relation to fraud;
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- In assessing the potential risks of material misstatement, we obtained an understanding of; the parent Company's and the Group's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement; and the Company's control environment including the adequacy of procedures for the authorisation of transactions.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JSSH LIMITED (CONTINUED)

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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 Auditors' 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.

Grant Thornton UK LLP

Gareth Hitchmough BSc FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool
Date: 4/5/2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	**Continuing operations 2022 £000**	**Discontinued operations 2022 £000**	**Total 2022 £000**	Continuing operations 2021 £000	Discontinued operations 2021 £000	Total 2021 £000
Turnover							
Group and share of joint ventures' turnover		**183,683**	**5,234**	**188,917**	130,587	14,616	145,203
Less: share of joint ventures' turnover		**(238)**	**-**	**(238)**	(224)	-	(224)
Group turnover	4	**183,445**	**5,234**	**188,679**	130,363	14,616	144,979
Cost of sales		**(166,792)**	**(8,799)**	**(175,591)**	(113,393)	(20,313)	(133,706)
Gross profit		**16,653**	**(3,565)**	**13,088**	16,970	(5,697)	11,273
Administrative expenses		**(12,144)**	**-**	**(12,144)**	(10,234)	(41)	(10,275)
Grant income		**-**	**-**	**-**	125	10	135
Fair value movement on investment property		**446**	**-**	**446**	958	-	958
Fair value movement on current asset investments		**(76)**	**-**	**(76)**	-	-	-
Profit on disposal of fixed asset investments		**2**	**-**	**2**	27	-	27
Profit on disposal of tangible assets		**1,683**	**-**	**1,683**	635	-	635
Operating profit	6	**6,564**	**(3,565)**	**2,999**	8,481	(5,728)	2,753
Share of profit of joint venture		**496**	**-**	**496**	287	-	287
Interest receivable and similar income	10	**8**	**-**	**8**	1	-	1
Interest payable and expenses	11	**(53)**	**-**	**(53)**	(2)	-	(2)
Profit before taxation		**7,015**	**(3,565)**	**3,450**	8,767	(5,728)	3,039
Tax on profit	12	**(612)**	**-**	**(612)**	(208)	-	(208)
Profit for the financial year		**6,403**	**(3,565)**	**2,838**	8,559	(5,728)	2,831

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Actuarial gains on defined benefit pension scheme			**(132)**			612
Movement of deferred tax relating to pension deficit			**33**			(153)
Other comprehensive income for the year			**(99)**			459
Total comprehensive income for the year			**2,739**			3,290
Profit for the year attributable to:						
Owners of the parent Company	**6,403**	**(3,565)**	**2,838**	8,559	(5,728)	2,831

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note		2022 £000		2021 £000
Fixed assets					
Tangible assets	14		**2,037**		3,346
Investments	15		**2,861**		2,404
Investment property	16		**38,045**		33,005
			42,943		38,755
Current assets					
Stocks	17	**42**		47	
Debtors: amounts falling due within one year	18	**32,207**		22,677	
Current asset investments	19	**3,424**		-	
Cash at bank and in hand	20	**12,310**		22,467	
		47,983		45,191	
Creditors: amounts falling due within one year	21	**(33,435)**		(27,122)	
Net current assets			**14,548**		18,069
Total assets less current liabilities			**57,491**		56,824
Provisions for liabilities					
Deferred taxation	22	**(150)**		-	
Other provisions	23	**(165)**		(967)	
			(315)		(967)
Net assets excluding pension liability			**57,176**		55,857
Pension liability	27		**(556)**		(803)
Net assets			**56,620**		55,054
Capital and reserves					
Called up share capital	25		**40**		40
Other reserves	24		**34,774**		34,774
Profit and loss account	24		**21,806**		20,240
Equity attributable to owners of the parent Company			**56,620**		55,054

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

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

Michelle Owen

M L Owen
Director
Date: 4/5/2023

The notes on pages 28 to 57 form part of these financial statements.

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note		2022 £000		2021 £000
Fixed assets					
Tangible assets	14		**15**		26
Investments	15		**2,045**		2,045
Investment property	16		**39,355**		34,355
			41,415		36,426
Current assets					
Debtors: amounts falling due within one year	18	**906**		672	
Current asset investments	19	**3,424**		-	
Cash at bank and in hand	20	**2,672**		11,389	
		7,002		12,061	
Creditors: amounts falling due within one year	21	**(8,773)**		(9,189)	
Net current (liabilities)/assets			**(1,771)**		2,872
Total assets less current liabilities			**39,644**		39,298
Provisions for liabilities					
Deferred taxation	22	**(240)**		(183)	
			(240)		(183)
Net assets excluding pension liability			**39,404**		39,115
Pension liability	27		**(556)**		(803)
Net assets			**38,848**		38,312

COMPANY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

	Note		2022 £000		2021 £000
Capital and reserves					
Called up share capital	25		**40**		40
Profit and loss account brought forward		**38,272**		36,126	
Profit for the year		**1,808**		2,165	
Other changes in the profit and loss account		**(1,272)**		(19)	
Profit and loss account carried forward			**38,808**		38,272
			38,848		38,312

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

M L Owen Michelle Owen
Director
Date: 4/5/2023

The notes on pages 28 to 57 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £000	Capital reserves £000	Retained earnings £000	Total equity £000
At 1 January 2022	40	34,774	20,240	55,054
Comprehensive income for the year				
Profit for the year	-	-	2,838	2,838
Other comprehensive expense	-	-	(99)	(99)
Other comprehensive expense for the year	-	-	(99)	(99)
Total comprehensive income for the year	-	-	2,739	2,739
Dividends: Equity capital (note 13)	-	-	(1,173)	(1,173)
Total transactions with owners	-	-	(1,173)	(1,173)
At 31 December 2022	40	34,774	21,806	56,620

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £000	Capital reserves £000	Retained earnings £000	Total equity £000
At 1 January 2021	40	34,774	17,428	52,242
Comprehensive income for the year				
Profit for the year	-	-	2,831	2,831
Other comprehensive income	-	-	459	459
Other comprehensive income for the year	-	-	459	459
Total comprehensive income for the year	-	-	3,290	3,290
Dividends: Equity capital (note 13)	-	-	(478)	(478)
Total transactions with owners	-	-	(478)	(478)
At 31 December 2021	40	34,774	20,240	55,054

The notes on pages 28 to 57 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2022	40	38,272	38,312
Comprehensive income for the year			
Profit for the year	-	1,808	1,808
Other comprehensive expense	-	(99)	(99)
Other comprehensive expense for the year	-	(99)	(99)
Total comprehensive income for the year	-	1,709	1,709
Dividends: Equity capital	-	(1,173)	(1,173)
Total transactions with owners	-	(1,173)	(1,173)
At 31 December 2022	40	38,808	38,848

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Retained earnings	Total equity
	£000	£000	£000
At 1 January 2021	40	36,126	36,166
Comprehensive income for the year			
Profit for the year	-	2,165	2,165
Other comprehensive income	-	459	459
Other comprehensive income for the year	-	459	459
Total comprehensive income for the year	-	2,624	2,624
Dividends: Equity capital	-	(478)	(478)
Total transactions with owners	-	(478)	(478)
At 31 December 2021	40	38,272	38,312

The notes on pages 28 to 57 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £000	2021 £000
Cash flows from operating activities		
Profit for the financial year	**2,838**	2,831
Adjustments for:		
Depreciation of tangible assets	**632**	851
Interest payable	**53**	2
Interest receivable	**(8)**	(1)
Taxation charge	**612**	208
Decrease/(increase) in stocks	**5**	(15)
Increase in debtors	**(259)**	(499)
Increase in creditors	**6,312**	220
Decrease in provisions	**(802)**	(305)
Share of operating profit in joint ventures	**(496)**	(287)
Corporation tax paid	**(329)**	(265)
Pension funding	**(390)**	(315)
Increase in amounts recoverable on contracts	**(9,331)**	(405)
Profit on disposal of investment properties	**(2)**	(27)
Profit on disposal of tangible fixed assets	**(1,683)**	(635)
Fair value movements on investment properties	**(446)**	(958)
Net operating charge for defined benefits	**11**	19
Fair value movements on current asset investments	**76**	-
Net cash (used in)/generated from operating activities	**(3,207)**	419
Cash flows from investing activities		
Purchase of tangible fixed assets	**(403)**	(386)
Sale of tangible fixed assets	**2,763**	893
Purchase of investment properties	**(4,684)**	(1,727)
Sale of investment properties	**92**	2,427
Interest received	**8**	1
Purchase of current asset investments	**(3,500)**	-
Net cash (used in)/generated from investing activities	**(5,724)**	1,208

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £000	2021 £000
Cash flows from financing activities		
Dividends paid	**(1,173)**	(478)
Interest paid	**(53)**	(2)
Dividends received from joint venture	**-**	150
Net cash used in financing activities	**(1,226)**	(330)
Net (decrease)/increase in cash and cash equivalents	**(10,157)**	1,297
Cash and cash equivalents at beginning of year	**22,467**	21,170
Cash and cash equivalents at the end of year	**12,310**	22,467
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**12,310**	22,467

The notes on pages 28 to 57 form part of these financial statements.

1. General information

JSSH Limited is a private company limited by shares and registered in England and Wales. Its registered head office is located at Manor House, Manor Lane, Holmes Chapel, Cheshire, CW4 8AF.

The principal activity of the Group during the year was that of planned, responsive and cyclical maintenance and construction contracting, combined with property holding and management services.

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 financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £1,000.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48A;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

2. Accounting policies (continued)

2.3 Basis of consolidation

The Consolidated financial statements present the results of the Group and its own subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The Consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 January 2014. Therefore, the Group continues to recognise a capital reserve which arose on a past business combination that was accounted for as an acquisition in accordance with UK GAAP as applied at that time.

2.4 Joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

In the consolidated accounts, interests in joint ventures are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated statement of financial position, the interests in joint ventures are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.5 Going concern

The directors have reviewed the Group's budgets, forecasts and liquid resources for the 12 months from the date of this report. These forecasts demonstrate that the Group will have sufficient cash resources for a period of at least one year.

Thus, the directors have at the time of approving these financial statements, an expectation that the Group has adequate resources to continue in operational existence for the foreseeable future being a period of not less than 12 months from the date of approval of these financial statements.

Consequently, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2. Accounting policies (continued)

2.6 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue represents the net amount receivable, excluding value added tax, for goods and services supplied to external customers and the value of work done during the year. Revenue also includes rents receivable from the Group's properties, which is recognised in the period to which it relates.

Long term contracts

Revenue from contracts is recognised in accordance with the stage of completion of contractual obligations to the customer. The stage of completion of the contract at the Statement of financial position date is assessed by reference to the value of work done.

When the outcome of a contract can be assessed reliably, contract revenue and associated costs are recognised as revenue and costs respectively by reference to the stage of completion of the contract activity at the Statement of financial position date. Full provision is made for losses on all contracts in the year in which the loss is first foreseen.

Where the outcome of a contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable, and contract costs are recognised in the period in which they are incurred.

Long term contract balances included in amounts recoverable on contracts are stated at cost plus attributable profit, after provision has been made for any foreseeable losses and the deduction of applicable payments on account.

2.7 Pre-contract costs

Contract mobilisation costs are charged to the Consolidated statement of comprehensive income in the year of contract inception.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the Consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

2.9 Tangible fixed assets

Tangible fixed assets under the cost model, other than investment properties 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.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Consolidated statement of comprehensive income during the period in which they are incurred.

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

The estimated useful lives range as follows:

Freehold buildings	- 50 years
Plant and machinery	- between 3 and 8 years
Motor vehicles	- between 3 and 6 years
Fixtures and fittings	- between 2 and 8 years

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 the Consolidated statement of comprehensive income.

2.10 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated statement of comprehensive income on a straight-line basis over the lease term.

2.11 Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each Statement of financial position date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Investment property

Investment property is carried at fair value determined annually and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Consolidated statement of comprehensive income.

2.13 Investments in subsidiaries

Investments in subsidiaries are measured at cost less accumulated impairment.

2. Accounting policies (continued)

2.14 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 reporting 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 the Consolidated statement of comprehensive income.

2.15 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.

2.16 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.

2.17 Current asset investments

Current asset investments are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes to fair value are recognised in the Consolidated statement of comprehensive income.

2. Accounting policies (continued)

2.18 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

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.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the statement of financial position date.

Financial assets measured at fair value through profit or loss are recognised initially at fair value, and subsequently measured at fair value at the end of each reporting period with any movements recognised in the Consolidated statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

2.19 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. Accounting policies (continued)

2.20 Finance costs

Finance costs are charged to the Consolidated statement of comprehensive income 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.

2.21 Dividends

Interim dividends are recognised when paid and final dividends are recognised when declared.

2.22 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated statement of comprehensive income 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 reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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 reporting date.

2. Accounting policies (continued)

2.23 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group operates a defined benefit pension scheme which requires contributions to be made to separately administered funds. The scheme is now closed to new members and future accrual.

Scheme assets are valued at fair value. Scheme liabilities are measured on an actuarial basis using the projected unit basis and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the Statement of financial position.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, at the start of the period taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in the Consolidated statement of comprehensive income. Actuarial gains and losses are recognised in the Consolidated statement of comprehensive income.

Where the risks of a defined benefit plan are shared between entities under common control, the net defined benefit cost is recognised in the financial statements of the Group entity which is legally responsible for the plan and all other Group entities recognise a cost equal to their contribution payable for the period.

2.24 Interest income

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

2.25 Borrowing costs

All borrowing costs are recognised in Consolidated statement of comprehensive income in the year in which they are incurred.

2.26 Other operating income

Other operating income is recognised in the Consolidated statement of comprehensive income in the year in which it relates.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates.

Critical judgements in applying accounting policies:

Revenue recognition
Revenue is recognised for long term contracts based on the stage of completion of the contract activity. This is measured as the percentage of the job completed, based on the surveyor's valuation, worktype and expected completion date.

Key sources of estimation uncertainty:

Measurement of provisions for foreseeable contract losses
The Group enters into long term contracts in the normal course of business. These contracts have been reviewed and provision has been made for the directors' best estimate of known legal claims and future losses.

Margin recognition through contract term
The Group enters into long term contracts in the normal course of business. The margin on these contracts is estimated by management over the term of the contract utilising estimated forecasted cost and revenue.

Valuation of investment properties
The Group carries its investment properties at fair value, with changes in fair value being recognised in the Consolidated statement of comprehensive income. The valuation requires estimates to be made of the market value of each property derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

The property portfolio held is across various sectors, such as leisure, retail, industrial and residential, and as such requires the utilisation of judgement in respect of market uncertainties in each of these sectors.

Carrying values are reviewed with reference to information available at the time including external valuations which are obtained on a four yearly programme.

The directors consider the information available from all sources to be sufficient in order to inform themselves when valuing the property portfolio and therefore determine the valuation to be an accurate reflection of the investment property fair value.

Defined benefit pension scheme
The defined benefit pension plan obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long term nature of these plans, such estimates are subject to significant uncertainty.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 **£000**	2021 £000
Rendering of services	**188,917**	145,203
Less: share of joint ventures' turnover	**(238)**	(224)
	188,679	144,979

All turnover arose within the United Kingdom.

5. Grant income

	2022 **£000**	2021 £000
Government grants receivable	**-**	135

Government grants received in the prior year relate to Coronavirus Job Retention Scheme income.

6. Operating profit

The operating profit is stated after charging:

	2022 **£000**	2021 £000
Depreciation of tangible fixed assets	**632**	851
Profit on disposal of tangible assets	**(1,682)**	-
Hire of plant and machinery	**2,467**	1,700

7. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	**24**	26

Fees payable to the Group's auditor and its associates in respect of:

	2022 £000	2021 £000
The auditing of accounts of subsidiaries of the Group pursuant to legislation	**63**	44
Taxation compliance services	**20**	16
All other services	**54**	34
	137	94

8. Employees

Group

Staff costs, including directors' remuneration, were as follows:

	Group 2022 £000	Group 2021 £000
Wages and salaries	**30,847**	27,779
Social security costs	**3,280**	2,744
Other pension costs	**1,157**	1,082
	35,284	31,605

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

	2022 No.	2021 No.
Manufacturing, construction and installation	**351**	391
Technical and administration staff	**418**	362
	769	753

8. Employees (continued)

Key Management Personnel

Key management personnel are defined as the directors of the Parent Company and its key subsidiary undertaking: Novus Property Solutions Limited

The total emoluments of key management personnel (salaries, wages, benefits in kind, national insurance and pension costs) were £2,404,000 in relation to 14 employees *(2021: £1,998,000 in relation to 12 employees)*.

Company

Staff costs, including directors' remuneration, for the Company were as follows:

	Company 2022 £000	Company 2021 £000
Wages and salaries	**1,428**	1,120
Social security costs	**183**	138
Other pension costs	**49**	42
	1,660	1,300

The average monthly number of employees, including directors, during the year for the Company were 16 *(2021: 15)*.

9. Directors' remuneration

The remuneration of the directors was as follows:

	2022 £000	2021 £000
Directors' emoluments	**1,054**	822
Group contributions to defined contribution pension schemes	**14**	12
	1,068	834

Retirement benefits are accruing to 1 directors *(2021: 1 director)* under a defined benefit pension scheme and 3 directors *(2021: 3 directors)* under defined contribution pension schemes.

9. Directors' remuneration (continued)

The amounts set out on the previous page include remuneration in respect of the highest paid director as follows:

	2022	2021
	£000	£000
Emoluments	**588**	346
Company contributions to defined contribution pension schemes	**1**	-
	589	346

The highest paid director's accrued defined benefit pension at the year end was £Nil *(2021: £Nil)*.

10. Interest receivable

	2022	2021
	£000	£000
Bank interest receivable	**3**	-
Employee loan interest	**-**	1
Other interest receivable	**4**	-
Tax supplement	**1**	-
	8	1

11. Interest payable and similar expenses

	2022	2021
	£000	£000
Interest payable on overdrafts	**1**	-
Other interest payable	**52**	2
	53	2

12. Taxation

	2022 £000	2021 £000
Corporation tax		
Current tax on profits for the year	**233**	121
Adjustments in respect of previous periods	**(15)**	11
Joint venture taxation	**39**	42
Total current tax	**257**	174
Deferred tax		
Origination and reversal of timing differences	**270**	-
Current period	**-**	158
Adjustments in respect of previous periods	**-**	(8)
Effect of tax rate change on opening balance	**85**	(116)
Total deferred tax	**355**	34
Taxation on profit on ordinary activities	**612**	208

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% *(2021: 19%)*. The differences are explained below:

	2022	2021
	£000	£000
Profit on ordinary activities before tax	**3,450**	3,039
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% *(2021: 19%)*	**656**	577
Effects of:		
Fixed asset differences	**(2)**	(137)
Expenses not deductible for tax purposes	**(32)**	-
Income not taxable for tax purposes	**(84)**	(182)
Remeasurement of deferred tax for changes in tax rates	**85**	(127)
Adjustments to tax charge in respect of prior periods - current	**(15)**	11
Adjustments to tax charge in respect of previous periods - deferred tax	**-**	(8)
Deferred tax not recognised	**48**	58
Capital gains/(losses)	**(44)**	16
Total tax charge for the year	**612**	208

Factors that may affect future tax charges

In the Budget 2020, the government announced that the corporation tax main rate (for all profits except ring fence profits) for the years starting 1 April 2020 and 2021 would remain at 19%. In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021.

In the Autumn Statement in November 2022, the government confirmed the increase in corporation tax rate to 25% from April 2023.

13. Dividends

	2022 £000	2021 £000
JS Ordinary shares		
Dividend of £14.663 *(2021: £5.975)* per share	**587**	239
A Ordinary shares		
Dividend of £14.663 *(2021: £5.975)* per share	**586**	239
	1,173	478

In 2022, Ordinary Share dividends of £1,173,000 have been paid.

Post year end, there have been JS Ordinary share dividends of £201,250 *(2021: £293,250)* paid and £Nil *(2021: £Nil)* of A Ordinary share dividends paid.

14. Tangible fixed assets

Group

	Freehold property £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation					
At 1 January 2022	**1,792**	**2,182**	**5,785**	**496**	**10,255**
Additions	**-**	**322**	**-**	**81**	**403**
Disposals	**-**	**-**	**(5,772)**	**(10)**	**(5,782)**
At 31 December 2022	**1,792**	**2,504**	**13**	**567**	**4,876**
Depreciation					
At 1 January 2022	**180**	**2,055**	**4,209**	**465**	**6,909**
Charge for the year on owned assets	**32**	**90**	**496**	**14**	**632**
Disposals	**-**	**-**	**(4,692)**	**(10)**	**(4,702)**
At 31 December 2022	**212**	**2,145**	**13**	**469**	**2,839**
Net book value					
At 31 December 2022	**1,580**	**359**	**-**	**98**	**2,037**
At 31 December 2021	1,612	127	1,576	31	3,346

Included within freehold property is land of £100,000 *(2021: £100,000)*, which is not depreciated.

14. Tangible fixed assets (continued)

Company

	Motor vehicles £000	Fixtures and fittings £000	Total £000
Cost or valuation			
At 1 January 2022	**43**	**23**	**66**
Additions	**-**	**18**	**18**
Disposals	**(43)**	**(10)**	**(53)**
At 31 December 2022	**-**	**31**	**31**
Depreciation			
At 1 January 2022	**19**	**21**	**40**
Charge for the year on owned assets	**8**	**4**	**12**
Disposals	**(27)**	**(9)**	**(36)**
At 31 December 2022	**-**	**16**	**16**
Net book value			
At 31 December 2022	**-**	**15**	**15**
At 31 December 2021	24	2	26

15. Fixed asset investments

Group

	Investments in joint ventures £000
Cost or valuation	
At 1 January 2022	**2,404**
Share of JV net profit (after dividends)	**457**
At 31 December 2022	**2,861**
Net book value	
At 31 December 2022	**2,861**
At 31 December 2021	2,404

15. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £000
Cost or valuation	
At 1 January 2022	**2,045**
At 31 December 2022	**2,045**
Net book value	
At 31 December 2022	**2,045**
At 31 December 2021	2,045

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Novus Property Solutions Limited	Five Towns House Hillside, Festival Way, Stoke-On-Trent, Staffordshire, United Kingdom, ST1 5SH	Painting, maintenance and decorating	Ordinary	100%

Joint venture

The following was an associate of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Heath Investments Limited	Manor House Manor Lane, Holmes Chapel, Nr Crewe, Cheshire, CW4 8AF	Property investors and developers	Ordinary	50%

16. Investment property

Group

	Investment property £000
Valuation	
At 1 January 2022	**33,005**
Additions at cost	**4,684**
Disposals	**(90)**
Fair value movements	**446**
At 31 December 2022	**38,045**

The 2022 valuations were made by a RICS qualified director, on an open market value for existing use basis.

Carrying values of investment properties have been reviewed as at 31 December 2022 in order to assess the appropriateness of property values individually and as a whole with reference to information available at the time including external valuations which are obtained across the whole portfolio on a four year rotation.

The valuation requires estimates to be made of the market value of each property derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

The property portfolio held is across various sectors, such as leisure, retail, industrial and residential, and as such requires the utilisation of judgement in respect of market uncertainties in each of these sectors.

The JSSH board have reviewed and approved these valuations.

16. Investment property (continued)

Company

	Investment property £000
Valuation	
At 1 January 2022	**34,355**
Additions at cost	**4,684**
Disposals	**(90)**
Fair value movements	**406**
At 31 December 2022	**39,355**

The 2022 valuations were made by a RICS qualified director, on an open market value for existing use basis.

Carrying values of investment properties have been reviewed as at 31 December 2022 in order to assess the appropriateness of property values individually and as a whole with reference to information available at the time including external valuations which are obtained across the whole portfolio on a four year rotation.

The valuation requires estimates to be made of the market value of each property derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset.

The property portfolio held is across various sectors, such as leisure, retail, industrial and residential, and as such requires the utilisation of judgement in respect of market uncertainties in each of these sectors.

The JSSH board have reviewed and approved these valuations.

17. Stocks

	Group 2022 £000	Group 2021 £000
Raw materials and consumables	**42**	47

The difference between purchase price or production cost of stocks and their replacement cost is not material.

18. Debtors

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Trade debtors	**718**	702	**552**	456
Other debtors	**83**	183	**76**	76
Prepayments and accrued income	**1,831**	1,488	**278**	140
Amounts recoverable on long term contracts	**29,220**	19,889	**-**	-
Tax recoverable	**355**	243	**-**	-
Deferred taxation (note 22)	**-**	172	**-**	-
	32,207	22,677	**906**	672

An impairment loss of £Nil (*2021: £9,000)* was recognised against trade debtors.

19. Current asset investments

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Multi asset investments	**3,424**	-	**3,424**	-

JSSH invested in a multi asset diversified growth fund portfolio during the year. The assets will be used as a self insurance fund for the benefit of the Group.

20. Cash at bank and in hand

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Cash at bank and in hand	**12,310**	22,467	**2,672**	11,389

21. Creditors: Amounts falling due within one year

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Trade creditors	**10,636**	7,171	**215**	186
Amounts owed to group undertakings	**-**	-	**6,904**	7,532
Corporation tax	**-**	-	**13**	204
Other taxation and social security	**7,281**	5,993	**121**	25
Other creditors	**364**	1,362	**-**	-
Accruals and deferred income	**15,154**	12,596	**1,520**	1,242
	33,435	27,122	**8,773**	9,189

22. Deferred taxation

Group

	2022 £000	2021 £000
At beginning of year	**172**	359
Charged to the profit or loss	**(355)**	(34)
Credited/(charged) to other comprehensive income	**33**	(153)
At end of year	**(150)**	172

22. Deferred taxation (continued)

Company

	2022 £000	2021 £000
At beginning of year	**(183)**	48
Charged to the profit or loss	**(90)**	(78)
Credited/(charged) to other comprehensive income	**33**	(153)
At end of year	**(240)**	(183)

The deferred tax (liability)/asset is made up as follows:

	Group 2022 £000	Group 2021 £000	**Company 2022 £000**	Company 2021 £000
Accelerated capital allowances	**(360)**	(86)	**(406)**	(385)
Pension deficit	**139**	201	**139**	201
Short term timing differences	**71**	57	**27**	1
	(150)	172	**(240)**	(183)

23. Provisions

Group

	Provision for future losses £000
At 1 January 2022	**967**
Utilised in the year	**(967)**
Charged in year	**165**
At 31 December 2022	**165**

The above provision represents an estimate of the future liabilities associated with long term contracts, which are considered onerous by management.

24. Reserves

Capital reserve

Capital reserve represents the reserve created on acquisition of Novus Property Solutions Limited, Dukfent NLR Limited, SCS NLR Limited, Props NLR Limited, Heath Investments Limited and their respective subsidiaries on 23 August 2013. This comprises the excess of the fair value of net assets acquired over the nominal value of the shares.

Retained earnings

Retained earnings includes all current and prior period retained profits and losses.

25. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
40,000 (2021: 40,000) JS Ordinary shares shares of £1.00 each	**40,000**	40,000
40,000 (2021: 40,000) A Ordinary shares shares of £0.01 each	**400**	400
	40,400	40,400

Share rights and obligations

A Ordinary shares - each holder of A ordinary shares on a show of hands, have one vote, and on poll, have two votes per A ordinary share. A ordinary shares have a right to dividends following the payment of the priority dividend to the holders of the JS ordinary shares. On a return of capital, the surplus assets of the Company shall be applied in firstly repaying the holders of the A ordinary shares a sum equal to the amount paid up on each A ordinary share.

JS Ordinary shares - each holder of JS ordinary shares on a show of hands, have one vote, and on poll, have one vote per JS ordinary share. JS ordinary shares have a right to a priority dividend. On a return of capital, following the repayment of A ordinary shares, the balance of surplus assets are paid in proportion to the nominal amounts paid up or credited as paid up on the JS ordinary shares.

26. Contingent liabilities

Novus Property Solutions Limited has a debenture in favour of Lloyds Bank plc as at 31 December 2022 and 2021. The amount outstanding as at 31 December 2022 and 2021 was Nil.

27. Pension commitments

Defined contribution pension plan
The Group operates defined contribution pension schemes for the benefit of the employees and directors. The assets of the schemes are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £1,157,000 (*2021: £1,082,000)*.

Defined benefit pension plan
The Group operates a Defined Benefit pension scheme.

The JSSH Limited Retirement Scheme was established on 11 December 2013 as a consequence of the demerger of Seddon Group Limited. During 2014, the process was undertaken to transfer the relevant assets and liabilities of the Seddon Group Retirement Scheme into JSSH Limited Retirement Scheme.

The scheme is now closed to new members and future accrual. Annual contributions are paid on the recommendation of independent qualified actuaries following the latest approved triennial valuation, the latest of which was at 30 June 2020. The valuation method used is the Defined Accrued Benefits method and the principal assumptions made by the actuary were:

	30 June 2020
Discount rate	1.90%
Price inflation (RPI)	3.30%
Price inflation (CPI)	2.50%
GMP deferred revaluation	3.30%
Non GMP deferred revaluation	2.50%
Rate of increase for pensions in payment CPI (max 3%)	2.10%
Cash commutation	75% of maximum tax free cash allowable
Expenses	No allowance
Pre retirement mortality	Nil
Post retirement mortality	S3PxA CMI 2019 projections with 1.5% per annum long term trend rate

Reconciliation of present value of plan liabilities:

	2022 **£000**	2021 £000
Reconciliation of present value of plan liabilities		
At the beginning of the year	**(7,464)**	(8,505)
Interest cost	**(132)**	(98)
Actuarial gain	**1,892**	397
Benefits paid	**303**	742
At the end of the year	**(5,401)**	(7,464)

27. Pension commitments (continued)

Reconciliation of present value of plan assets:

	2022 £000	2021 £000
At the beginning of the year	**6,661**	6,794
Interest income	**121**	79
Actuarial (loss)/gain	**(2,024)**	215
Contributions by the employer	**390**	315
Benefits paid	**(303)**	(742)
At the end of the year	**4,845**	6,661

Composition of plan assets:

	2022 £000	2021 £000
Corporate bonds	**525**	-
Absolute return	**1,638**	3,072
Alternatives	**533**	1,662
Liability driven investments	**1,045**	1,116
Cash	**1,104**	811
Total plan assets	**4,845**	6,661

	2022 £000	2021 £000
Fair value of plan assets	**4,845**	6,661
Present value of plan liabilities	**(5,401)**	(7,464)
Net pension scheme liability	**(556)**	(803)

27. Pension commitments (continued)

	2022	2021
	£000	£000
Total cost recognised as an expense:		
Net interest cost	**(11)**	(19)
Actuarial (loss)/gain on plan assets	**(2,024)**	215
Actuarial gain on plan liabilities	**1,892**	397
	(143)	593

	2022	2021
	£000	£000
The return on plan assets was:		
Actual return on scheme assets	**121**	79
Actuarial (loss)/gain on plan assets	**(2,024)**	215
	(1,903)	294

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of comprehensive income was £1,324,000 *(2021: £1,192,000)*.

The Group expects to contribute £390,000 *(2021: £390,000)* to its Defined Benefit pension scheme in 2022.

Principal actuarial assumptions at the Statement of financial position sheet date (expressed as weighted averages):

	2022	2021
Discount rate	4.8%	1.80%
Price inflation (RPI)	3.2%	3.50%
Price Inflation (CPI)	2.5%	2.70%
Rate of increase for pensions in payment CPI (max 3%)	2.15%	2.20%
Pre retirement mortality	Nil	Nil
Post retirement mortality	S3PxA, CMI 2021 with 1% p.a. LTR +1 age rating	S3PxA, CMI 2020 with 1% p.a. LRT +1 age rating
Life expectancies:		
Current pensioners age 65 - males	21.0	20.9
Current pensioners age 65 - females	23.3	23.2
Future pensioners age 65 (currently age 45) - males	21.9	21.9
Future pensioners age 65 (currently age 45) - females	24.4	24.4

In addition to the above there are annuity policies held in relation to 4 *(2021: 4)* insured pensioners. These policies were valued by the pension scheme actuary at £949,000 as at 30 June 2022 and £1,153,000 as at 30 June 2021 as disclosed in the JSSH Limited Retirement Scheme audited accounts. There is no impact on the pension deficit detailed in the Statement of financial position.

28. Commitments under operating leases

At 31 December 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £000	Group 2021 £000
Not later than 1 year	**1,314**	299
Later than 1 year and not later than 5 years	**797**	456
Later than 5 years	**13**	8
	2,124	763

29. Analysis of net debt

	At 1 January 2022 £000	**Cashflows £000**	**At 31 December 2022 £000**
Cash at bank and in hand	**22,467**	**(10,157)**	**12,310**

30. Related party transactions

The Group received income from Heath Investments Limited during the year for the sum of £31,000 *(2021: £31,000)* and had a balance outstanding with this party of £Nil *(2021: £Nil)* as at 31 December 2022.

31. Post balance sheet events

There have been no post balance sheet events, adjusting or non-adjusting, since the end of the reporting period.