

**Company Registration Number 01435835 (England and Wales)**

**Akhter Group Limited**

**Directors' Report and Consolidated Financial Statements**

**For The Period Ended 31 December 2022**

FRIDAY



A06      \*AC6BEN2A\*      #89  
23/06/2023  
COMPANIES HOUSE

**BENNEWITH 2018 LIMITED**  
Chartered Accountants & Statutory Auditor  
3 Wey Court  
Mary Road  
Guildford  
Surrey  
GU1 4QU

**Registered office: 1-3 Marshgate Business Centre, Harlow Business Park, Harlow, Essex CM19 5QP**

**Akhter Group Limited**

**Index to the consolidated financial statements  
For The Period Ended 31 December 2022**

	<b>Page</b>
Directors' report	1
Auditors' report	5
Consolidated profit and loss account	8
Consolidated balance sheet	9
Company balance sheet	11
Consolidated cash flow statement	13
Accounting policies	14
Notes to the financial statements	16

## **Akhter Group Limited**

### **Directors' report**

**For The Period Ended 31 December 2022**

The directors present their annual report and the audited financial statements for the period ended 31 December 2022.

#### **Principal activities**

The group is an established manufacturer, systems integrator and supplier of PC network and database technology to a broad base of predominantly public sector customers in the UK. The group principally serves the networked PC and workstation market offering customers complete turnkey systems solutions, comprising hardware, software, installation, networking, training and after sales support. The group sells mainly into niche markets in which it can differentiate itself and gain a competitive advantage. The group also holds an investment company that has entered the green energy market through the design and production of commercial solar powered lights. The group is continuing to develop new products and will continue the development of new market sectors for its I.T. solutions and range of commercial solar products.

#### **Review of the business**

Our review is consistent with the size and nature of the business and is written in context to the risks and uncertainties that we face.

In November 2020 we suffered a major fire resulting in total loss of our business head office premises, including our warehousing and production facilities we also suffered a total loss to our assets and stock. Although this has represented a major risk to our business, we were able to quickly implement our key disaster contingency plans and get back up and running into temporary premises within a very short time.

As at the balance sheet date we have received insurance refunds for loss of premises and assets but are still awaiting settlement from the business interruption insurance claim, which we anticipate will be paid in 2023.

The group's business environment in which we operate continues to be challenging in a highly competitive market. We are increasingly under pressure to maintain our gross profit margins in a year where prices have increased across all of our products. The environmental risks associated with COVID and BREXIT has continued to impact the business through 2022 however, the UK business carried out its trading as usual throughout the year and this is reflected in the levels of turnover achieved in the financial accounts. The group's consolidated profit and loss account was shown on page 5. The Financial performance indicators have been selected that reflect the performance of the group as a whole including turnover, gross profit and operating profit.

At the balance sheet date Akhter Computers purchased back 900,000 £1 Ordinary share capital from its parent, Akhter Group. Leaving 100,000 £1 Ordinary shares retained by Akhter Group in its subsidiary Akhter Computers. A Solvency statement has been filed by Akhter Computers approving the reduction and also to state that company is trading as usual

#### **Results and dividends**

The groups consolidated profit and loss account was shown on page 5.

The Financial performance indicators have been selected that reflect the performance of the group as a whole including turnover, gross profit and operating profit.

A final dividend of £300,000 (2021 £250,000) was paid to shareholders at 31st December 2022

A final dividend was paid from Akhter Computers Ltd to Akhter Group Ltd at 31st December 2022 of £1,000,000 (2021: £1,800,000).

#### **Market value of land and buildings**

In the opinion of the directors, the professional valuation of land and buildings exceed the current book value.

#### **Future developments**

The group is continuing to develop new products and will continue the development of new market sectors for its I.T. solutions and range of commercial solar products. Market conditions remain tough with the future of public sector investment into new I.T. products becoming increasingly uncertain.

## **Akhter Group Limited**

### **Directors' report (continued)**

**For The Period Ended 31 December 2022**

#### **Research and development**

Research and development is an important part of the group's operations. The directors intend to continue their policy of investment in research and development as an essential aspect of the continuing commitment to product and quality improvements.

The research expenditure is written to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way unless the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is deferred and amortised over the period during which the group or the relevant subsidiary company is expected to benefit.

#### **Directors**

The following directors have held office since 1 July 2014

Humayun A Mughal  
Alan G Laffoley

Chief Executive Officer  
Group Technical Director

The following directors were on 21 October 2020

Kaisira N Mughal	Appointed	21 October 2020
Kassim H N Mughal	Appointed	21 October 2020
Nadeem A Mughal	Appointed	21 October 2020
Rhyannah S S Mughal	Appointed	21 October 2020
Rosina A Mughal	Appointed	21 October 2020
Saleem S Mughal	Appointed	21 October 2020
Wassim J Mughal	Appointed	21 October 2020
Yasmin A Mughal	Appointed	21 October 2020

The following directors were appointed in 2021

Nadia Culsoom Mughal	Appointed	01 March 2021
----------------------	-----------	---------------

#### **Employee consultation**

The group places considerable value on the involvement of its employees and has continued its practice of keeping them informed on matters affecting them as employees and on the various factors affecting the performance of the group. This is achieved through formal and informal meeting.

#### **Disabled employees**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort will be made to ensure that their employment with the group continues and that appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

#### **Political and charitable contributions**

The group made no political contributions. Charitable donations paid during the year were nil (2021: nil).

#### **Creditor payment policy**

It is the group's policy to negotiate terms with its suppliers and to ensure that they know the terms on which payment will be made when business is agreed. It is the directors policy to abide by such terms. The group does not follow any special code or standard on payment practice due to the diverse nature of its supplier base.

## **Akhter Group Limited**

### **Directors' report (continued)**

**For The Period Ended 31 December 2022**

#### **Principal risks and uncertainties**

All businesses face a range of risks and uncertainties, being subject to hazards from internal and external forces. The company and its subsidiaries undertakes regular risk assessments and the likelihood and significance of risk factors are considered to ensure risk mitigation.

#### **UK economic performance**

The UK economy has slowed down with reduced consumer spending and rising unemployments. The operational leverage is such that any deterioration in sales performance may have a disproportionate reduction in profitability. The company and its subsidiaries mitigate this risk by continuous monitoring of costs. In addition, the subsidiaries are aggressively pursuing work and orders from new and existing customers.

#### **Availability of credit**

The availability of credit for consumers and businesses has fallen considerably. Thus there is possibility of bad debts. However, this risk is mitigated by the company and its subsidiaries by the maintenance of cash reserves and through agreements with customers regarding payment terms and credit facilities. Extended credit terms are agreed with creditors where possible.

#### **Principal risks and uncertainties (continued)**

##### **Exchange rate fluctuations**

Exchange rate fluctuations have had, and continue to have, a material impact on the subsidiaries operating results. The global financial crisis has led to increased volatility in exchange rates which make it harder to predict exchange rates and thus perform financial planning. Thus the company and its subsidiaries only monitors closely the foreign exchange market to try and mitigate this risk.

#### **Directors' responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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.


**Akhter Group Limited**

**Directors' report (continued)**

**For The Period Ended 31 December 2022**

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.

On behalf of the board

  
**Professor Humayun Akhter Mughal**  
**Chief Executive Officer**

Date: 24/5/23

Registered office:  
1-3 Marshgate Business Centre  
Harlow Business Park  
Harlow  
Essex  
England  
CM19 5QP

**Report of the Auditors to the Members of**  
**Akhter Group Limited**

**Opinion**

We have audited the financial statements of Akhter Group Limited (the 'group and the company') for the year ended 31 December 2022 which comprise the Consolidated Profit and Loss account, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated statement of Changes in Equity, the Consolidated Cash Flow Statement 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 group financial statements:

- give a true and fair view of the state of the group's and company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the group and company 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

**Other information**

The directors are responsible for the other information. The other information comprises the information in the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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.

In connection with our audit of the group's and company's financial statements, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Report of the Auditors to the Members of**  
**Akhter Group Limited (continued)**

**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 Report of the Directors for the financial year for which the group financial statements and the company financial statements are prepared is consistent with the group financial statements and the company financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

-We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

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

In preparing the group financial statements and the company financial statements, the directors are responsible for assessing the Group's and 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the group and company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 group and company financial statements.

As part of an audit in accordance with ISAs (UK), we exercise our professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group financial statements and company financial statements,
- Whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involved collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.



**Report of the Auditors to the Members of**  
**Akhter Group Limited** (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude 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 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 auditor's report to the related disclosures in the group and company financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the group and company financial statements, including the disclosures, and whether the group and company financial statements represent the underlying transactions and events in a manner that achieves a fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including significant deficiencies in internal control that we identify during our audit.

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


As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the group financial statements. Our tests included agreeing the group financial statements disclosures to underlying supporting documentation and enquiries with management. We did not identify any key audit matters relating to irregularities, including fraud.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.

**Use of our report**

This report is made solely to the group'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 group's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anthony J Bennewith (Senior Statutory Auditor)  
for and on behalf of Bennewith 2018 Limited (Statutory Auditors)  
3 Wey Court  
Mary Road  
Guildford  
Surrey  
GU1 4QU



Date: 24 May 2023

**Report of the Auditors to the Members of**  
**Akhter Group Limited** (continued)

**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 Report of the Directors for the financial year for which the group financial statements and the company financial statements are prepared is consistent with the group financial statements and the company financial statements; and
- the Report of the Directors has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

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

-We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors.

**Responsibilities of directors**

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

In preparing the group financial statements and the company financial statements, the directors are responsible for assessing the Group's and 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 company or to cease operations, or have no realistic alternative but to do so.

**Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the group and company financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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 group and company financial statements.

As part of an audit in accordance with ISAs (UK), we exercise our professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group financial statements and company financial statements,
- Whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's and company's internal control.

**Akhter Group Limited**

**Consolidated profit and loss account  
For The Period Ended 31 December 2022**

	Note	31.12.22 £' 000	31.12.21 £' 000
Turnover of the group	1	34,167	22,547
Cost of sales		(29,388)	(19,370)
Gross profit		4,779	3,177
Selling and distribution costs		-	-
Administrative expenses		(2,660)	(1,573)
Other operating income		341	251
Group operating profit/(loss)	2	2,460	1,855
Share of operating profits of associates	23	4	5
(Loss)/Profit on ordinary activities before interest		2,464	1,860
Interest receivable and similar income	3	91	67
Interest payable and similar charges	4	-	(1)
(Loss)/Profit on ordinary activities before taxation		2,555	1,926
Tax on profit on ordinary activities	7	(541)	(117)
Profit for the financial year for the group		2,014	1,809

**Akhter Group Limited**


**Consolidated balance sheet  
As at 31 December 2022**

	Note	31.12.22 £' 000	31.12.22 £' 000	31.12.21 £' 000	31.12.21 £' 000
<b>Fixed assets</b>					
Tangible assets	09		1,862		1,797
Investments	10		1,533		3,346
			<u>3,395</u>		<u>5,143</u>
<b>Current assets</b>					
Stocks	11	693		390	
Debtors	12	2,729		2,500	
Cash at bank and in hand		<u>7,944</u>		<u>5,223</u>	
		11,366		8,113	
<b>Creditors: amounts falling due within one year</b>	13	<u>(4,115)</u>		<u>(2,508)</u>	
<b>Net current assets</b>			7,251		5,605
<b>Total assets less current liabilities</b>			<u>10,646</u>		<u>10,748</u>
<b>Provision for liabilities</b>	15		<u>(18)</u>		<u>(18)</u>
			<u>10,628</u>		<u>10,730</u>
<b>Capital and reserves</b>					
Called up share capital	16		250		250
Share premium account	17		-		-
Revaluation reserve	17		915		915
Other reserves	17		127		127
Profit and loss account	17		<u>9,336</u>		<u>9,438</u>
			<u>10,628</u>		<u>10,730</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on  
and were signed on its behalf by:

24/5/23

  
\_\_\_\_\_  
Chief Executive Officer

Company Registration Number 01435835

**Akhter Group Limited**

**Consolidated statement of Equity  
As at 31 December 2022**

	Called up share capital £' 000	Revaluation reserve £' 000	Capital redemption reserve £' 000	Profit and loss account £' 000	Total £' 000
At 1 January 2021	250	1,852	127	7,879	10,108
Profit for the year	-	-	-	1,559	1,559
Total comprehensive income for the year	-	-	-	1,559	1,559
Revaluation Reserve	-	-	-	-	-
Total investments by and distributions to owners	-	(937)	-	-	(937)
At 31 December 2021	250	915	127	9,438	10,730
Profit for the year	-	-	-	1,714	1,714
Total comprehensive income for the year	-	-	-	1,714	1,714
Redemption of shares	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-
Total investments by and distributions to owners	-	-	-	(1,816)	(1,816)
At 31 December 2022	250	915	127	9,336	10,628

**Akhter Group Limited**

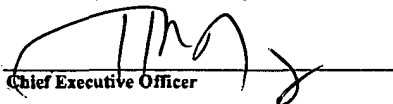
**Company balance sheet  
As at 31 December 2022**

	Note	31.12.22 £' 000	31.12.22 £' 000	31.12.21 £' 000	31.12.21 £' 000
<b>Fixed assets</b>					
Tangible assets	09		1,747		1,770
Investments	10		1,551		2,451
			<u>3,298</u>		<u>4,221</u>
<b>Current assets</b>					
Debtors	12	1,258		418	
Cash at bank and in hand		<u>4,504</u>		<u>4,299</u>	
		<u>5,762</u>		<u>4,717</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(693)</u>		<u>(299)</u>	
<b>Net current (liabilities) assets</b>			<u>5,069</u>		<u>4,418</u>
<b>Total assets less current liabilities</b>			<u>8,367</u>		<u>8,639</u>
<b>Creditors: amounts falling due after more than one year</b>	14		-		(656)
<b>Provision for liabilities</b>	15		(18)		(18)
			<u>8,349</u>		<u>7,965</u>
<b>Capital and reserves</b>					
Called up share capital	16		250		250
Share premium account	17		-		-
Revaluation reserve	17		915		915
Other reserves	17		127		127
Profit and loss account	17		<u>7,057</u>		<u>6,673</u>
			<u>8,349</u>		<u>7,965</u>

The notes on pages 16 to 27 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on  
and were signed on its behalf by:

24/5/23

  
Chief Executive Officer

Company Registration Number 01435835

**Akhter Group Limited**

**Company statement of Equity  
As at 31 December 2022**

	<b>Called up share capital £' 000</b>	<b>Revaluation reserve £' 000</b>	<b>Capital redemption reserve £' 000</b>	<b>Profit and loss account £' 000</b>	<b>Total £' 000</b>
At 1 January 2021	250	1,852	127	6,640	8,869
Profit for the year	-	-	-	33	33
Total comprehensive income for the year	-	-	-	33	33
Revaluation Reserve	-	(937)	-	-	(937)
Total investments by and distributions to owners	-	(937)	-	-	(937)
At 31 December 2021	250	915	127	6,673	7,965
Profit for the year	-	-	-	706	706
Total comprehensive income for the year	-	-	-	384	384
Redemption of shares	-	-	-	-	-
Revaluation Reserve	-	-	-	-	-
Total investments by and distributions to owners	-	-	-	-	-
At 31 December 2022	250	915	127	7,057	8,349

**Akhter Group Limited**

**Consolidated cash flow statement  
For The Period Ended 31 December 2022**

	Note	31.12.22 £' 000	31.12.21 £' 000
Cash inflow from operating activities	19	(326)	2,311
Returns on investments and servicing of finance	20	91	66
Taxation	20	105	-
Capital expenditure and financial investment	20	1,951	2,800
		<u>1,821</u>	<u>5,177</u>
Cash (outflow)/inflow before management of liquid resources and financing		1,821	5,177
Financing	20	900	-
		<u>2,721</u>	<u>5,177</u>
(Decrease)/increase in cash in the year		<u>2,721</u>	<u>5,177</u>

**Reconciliation of net cash flow to movement in net debt**

(Decrease)/increase in cash in the year		2,721	5,177
Cash outflow from decrease in debt and lease financing		-	-
		<u>2,721</u>	<u>5,177</u>
Movement in net debt in the year		2,721	5,177
Net debt at the start of the year		5,223	46
		<u>7,944</u>	<u>5,223</u>
Net debt at the end of the year	21	<u>7,944</u>	<u>5,223</u>



## **Akhter Group Limited**

### **Accounting policies**

**For The Period Ended 31 December 2022**

#### **Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'

#### **Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the group's financial statements.

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) under the historical cost convention modified to include the revaluation of certain land and buildings.

#### **Transition to FRS 102**

The group transitioned from previous UK GAAP to FRS 102 as at 1 July 2015. No transitional adjustments were required.

#### **Basis of consolidation**

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings, together with the Group's share of the results and net assets of its associate, made up to 31 December 2022.

#### **Goodwill**

Goodwill arising on the acquisition of subsidiaries or other businesses, represented by the excess of their fair value of the consideration given over the fair value of the separable net assets acquired, is capitalised and amortised over its useful economic life in accordance with Financial Reporting Standard 10. Goodwill is amortised over a period of not more than twenty years.

#### **Company accounts**

Under section 408 of the Companies Act 2006, the company is exempt from the requirement to present its own profit and loss account. The amount of the profit for the financial year dealt with in the accounts of the company is £706,000 (2021: £2,180,000).

#### **Turnover**

Turnover represents the invoiced value of goods sold and services provided and is stated net of Value Added Tax. The turnover is attributable to the principal activities of the group which all represent continuing operations. For equipment supplied under rental agreements, turnover is recognised on an accruals basis.

#### **Revenue recognition**

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

#### **Foreign currencies**

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date and any exchange differences arising are taken to the profit and loss account.

For consolidation purposes, the assets and liabilities of overseas subsidiary undertakings are translated at the closing exchange rates. Profit and loss accounts of such undertakings are consolidated at the average rates of exchange during the year. Exchange differences arising on these translations are taken to reserves, net of exchange differences arising on related foreign currency borrowings.

## **Akhter Group Limited**

### **Accounting policies (continued)**

**For The Period Ended 31 December 2022**

#### **Leases and hire purchase commitments**

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the company, and hire purchase contracts, are capitalised in the balance sheet and are depreciated over their useful lives. The capital elements of future obligations under the leases and hire purchase contracts are included as liabilities in the balance sheet.

Rentals under operating leases are charged on a straight line basis over the lease term.

#### **Deferred taxation**

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted. Deferred tax assets are recognised only to the extent that they are likely to be realised.

#### **Fixed assets and depreciation**

Depreciation is provided on all tangible fixed assets except land, to write off the cost, less estimated residual value, of each asset over its expected useful life on a reducing balance basis, except where stated, as follows:

Fixtures, fitting and equipment	Between 10 and 33.33 per cent, per annum, on a reducing balance basis
Motor vehicles	Between 20 and 25 per cent, per annum, on a reducing balance basis
Buildings in UK	2 per cent, per annum, on cost or valuation on a straight line basis unless revalued at year end
Equipment for rental	On a systematic basis so as to spread profit evenly over the period of the rental agreements
Computer equipment	33.33 per cent, per annum, on a straight line basis and some of the equipment are depreciated on 33 per cent on a reducing balance basis

#### **Stocks**

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Akhter Group Limited**

**Notes to the financial statements  
For The Period Ended 31 December 2022**

**1. Turnover**

Turnover is all attributable to the principal activities of the group and arises mainly from the UK.

The distribution of external sales by geographic region is as follows:

	31.12.22	31.12.21
	£' 000	£' 000
Turnover	34,167	22,547
Total	<u>34,167</u>	<u>22,547</u>

The directors believe that the group has only one business segment and accordingly no further segmental analysis is provided.

**2. Operating profit**

Operating profit is stated after charging:

Depreciation and other amounts written off tangible fixed assets	73	63
Auditors' remuneration:		
Audit	-	15
Other services	-	-
Pension costs	29	26
Amortisation of goodwill and design costs	-	-
	<u>-</u>	<u>-</u>

**3. Interest receivable and similar income**

Bank interest receivable	-	-
Other interest receivable	91	67
	<u>91</u>	<u>67</u>

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**4. Interest payable and similar charges**

	31.12.22	31.12.21
	£' 000	£' 000
On bank loans and overdrafts	-	1
Other interest payable	-	-
	<u>-</u>	<u>1</u>

**5. Staff numbers and costs**

	Number of employees	
	31.12.22	31.12.21
Administration and technical	28	20
Selling and distribution	3	3
	<u>31</u>	<u>23</u>

The aggregate payroll costs of these persons, including directors, were as follows:

	31.12.22	31.12.21
	£' 000	£' 000
Wages and salaries	1,346	691
Social security costs	148	118
Other pension costs	29	26
	<u>1,523</u>	<u>835</u>

**6. Directors' emoluments**

The emoluments of the directors are as follows:

Emoluments:		
Salary	557,556	383,223
Benefits in kind	-	-
Total emoluments	<u>557,556</u>	<u>383,223</u>
Pension contributions	12,412	-
	<u>569,968</u>	<u>383,223</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 0 (2021: 0).

Emoluments disclosed above include the following amounts paid to the highest paid director:

Emoluments for qualifying services	<u>557,556</u>	<u>383,223</u>
------------------------------------	----------------	----------------

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**7. Taxation**

**(a) Analysis of (credit)/charge in year for group**

	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£' 000</b>	<b>£' 000</b>
UK Corporation Tax at 19% (2019: 19%) on the profit on ordinary activities	-	-
Adjustments relating to an earlier year	-	-
Overseas tax	-	-
	<u>-</u>	<u>-</u>
Deferred tax (credit)/charge	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

**(b) Factors affecting tax charge in year for group**

Profit on ordinary activities	<b>2,555</b>	<b>1,926</b>
	<u>2,555</u>	<u>1,926</u>
Profit on ordinary activities multiplied by rate of Corporation Tax in the UK of 19.00% (2021: 19%)	<b>485</b>	<b>366</b>
Effects of:		
Expenses not deductible for tax purposes		3
Capital Allowances in excess of depreciation	(18)	7
Utilisation of tax losses/group reliefs	52	(604)
Current period unutilised tax losses	22	-
Adjustment to tax charge of prior periods	-	345
Overseas tax	-	-
	<u>541</u>	<u>117</u>
Current tax (credit)/charge for the year	<u>541</u>	<u>117</u>
	<u>541</u>	<u>117</u>

**8. Equity dividends**

**Interim dividend paid**

	-	-
	<u>-</u>	<u>-</u>

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**09. Tangible fixed assets**  
**Group**

	<b>Fixtures, fittings and equipment £' 000</b>	<b>Motor Vehicles £' 000</b>	<b>Land and buildings £' 000</b>	<b>Total £' 000</b>
Cost or valuation				
At beginning of year	175	57	2,070	2,302
Additions	92	46	-	138
Reclassify from development costs (note 9)	-	-	-	-
Disposals	-	-	-	-
Revaluation	-	-	-	-
At end of year	<b>267</b>	<b>103</b>	<b>2,070</b>	<b>2,440</b>
Depreciation				
At beginning of year	94	30	381	505
Charge for the year	39	18	16	73
Disposals	-	-	-	-
Impairment	-	-	-	-
Exchange difference	-	-	-	-
At end of year	<b>133</b>	<b>48</b>	<b>397</b>	<b>578</b>
Net book value				
At 31 December 2022	<b>134</b>	<b>55</b>	<b>1,673</b>	<b>1,862</b>
At 31 December 2021	<b>81</b>	<b>27</b>	<b>1,689</b>	<b>1,797</b>

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**09. Tangible fixed assets (continued)**

Company	Fixtures, fittings and equipment £' 000	Motor Vehicles £' 000	Land and buildings £' 000	Total £' 000
Cost or valuation				
At beginning of year	175	-	2,070	2,245
Revaluation	-	-	-	-
Additions	7	-	-	7
Disposal	-	-	-	-
At end of year	182	-	2,070	2,252
Depreciation				
At beginning of year	94	-	381	475
Charge for the year	13	-	17	30
Disposal	-	-	-	-
At end of year	107	-	398	505
Net book value				
At 31 December 2022	75	-	1,672	1,747
At 31 December 2021	81	-	1,689	1,770

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**10. Fixed asset investments**  
**Group**

	Shares in group undertakings £' 000	Investment to an associate company	Total £' 000
Valuation			
At beginning of year	606	2,740	3,346
Movement	-	(1,813)	(1,813)
At end of year	606	927	1,533
Provisions			
At beginning and end of year	-	-	-
Net book value			
At 31 December 2022	606	927	1,533
At 31 December 2021	606	2,740	3,346



**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**10. Fixed asset investments (continued)**  
**Group (continued)**

Company	Shares in group undertakings	Other Investments £' 000	Total £' 000
<b>Cost</b>			
At beginning of year	1,000	1,451	2,451
Disposals	(900)	-	(900)
Transfers	-	-	-
At end of year	100	1,451	1,551
<b>Provisions</b>			
At beginning of year	-	-	-
At end of year	-	-	-
<b>Net book value</b>			
At 31 December 2022	100	1,451	1,551
At 31 December 2021	1,000	1,451	2,451

The principal subsidiary undertakings, all of which are wholly owned and have an accounting year end of 31 December 2022, are as follows:

Akhter Computers Limited (issued share capital £100,000 of £1 each) - established manufacturer, system integrator and supplier of PC networking and database technology. Registered in England and Wales.

Other Investments held

Silicon CPV Limited (issued share capital £300,000 of 10p each) - developing production of electricity.

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**11. Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.22</b>	<b>31.12.21</b>	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>
Finished goods and goods for resale	693	390	-	-

**12. Debtors**

Trade debtors	1,962	1,552	83	211
Amounts owed by parent and fellow subsidiary undertakings	-	-	967	-
Corporation Tax	-	-	-	-
Prepayments and accrued income	605	437	47	46
Other debtors	162	511	161	161
	<u>2,729</u>	<u>2,500</u>	<u>1,258</u>	<u>418</u>

**13. Creditors: amounts falling due within one year**

Bank loans & overdrafts	-	-	-	-
Trade creditors	1,449	1,073	-	10
Amounts owed to group undertakings	-	-	-	-
Other taxes and social security	389	166	0	2
Corporation tax	544	120	22	84
Directors current account	-	-	-	-
Accruals and deferred income	1,719	957	668	41
Other creditors	14	192	3	161
	<u>4,115</u>	<u>2,508</u>	<u>693</u>	<u>298</u>

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**14. Creditors: amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.22</b>	<b>31.12.21</b>	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>
Other Creditors	-	-	-	-
Amounts owed to group undertakings	-	-	-	656
Bank loans	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>656</u>
<b>Analysis of loans</b>				
Not wholly repayable within five years	-	-	-	656
	<u>-</u>	<u>-</u>	<u>-</u>	<u>656</u>
<b>Included in current liabilities</b>				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>656</u>
<b>Loan maturity analysis</b>				
Within one years	-	-	-	-
In more than one year but not more than two years	-	-	-	-
In more than two years but not more than five years	-	-	-	-
In more than five years	-	-	-	656
	<u>-</u>	<u>-</u>	<u>-</u>	<u>656</u>

**15. Provisions for liabilities and charges**

	<b>Deferred taxation</b>			
	<b>£' 000</b>		<b>£' 000</b>	
<b>Group</b>			<b>Company</b>	
At beginning of year	18		18	
Credit to profit and loss account during year	-		-	
Exchange difference	-		-	
At end of year	<u>18</u>		<u>18</u>	
<b>The amounts provided for deferred tax are set out below:</b>				
	<b>Group</b>		<b>Company</b>	
	<b>31.12.22</b>	<b>31.12.21</b>	<b>31.12.22</b>	<b>31.12.21</b>
	<b>Provided</b>	<b>Provided</b>	<b>Provided</b>	<b>Provided</b>
	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>	<b>£' 000</b>
Difference between accumulated depreciation and amortisation and capital allowances liability	<u>18</u>	<u>18</u>	<u>18</u>	<u>18</u>

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**16. Called up share capital**

	31.12.22 £' 000	31.12.21 £' 000
Allotted, issued and fully paid up 250,000 Ordinary shares of £10,000 each	250	250

**17. Reserves  
Group**

	Share Premium £' 000	Revaluation reserve £' 000	Other reserves £' 000	Profit and loss account £' 000
At beginning of year	-	915	127	9,438
Movement	-	-	-	(1,816)
Dividends	-	-	-	(300)
Profit for the financial year	-	-	-	2,014
At end of year	-	915	127	9,336

**Company**

	Share Premium £' 000	Revaluation reserve £' 000	Other reserves £' 000	Profit and loss account £' 000
At beginning of year	-	915	127	6,673
Movement	-	-	-	-
Transfer from revaluation reserve to profit and loss	-	-	-	-
Taxation	-	-	-	(22)
Dividends	-	-	-	(300)
Profit for the financial year	-	-	-	706
At end of year	-	915	127	7,057

**18. Commitments**

The group had no material capital commitments at 31 December 2022 or at 31 December 2021.

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**19. Reconciliation of operating profit to operating cash flows**

	<b>31.12.22</b>	<b>31.12.21</b>
	<b>£' 000</b>	<b>£' 000</b>
Operating profit	2,460	1,855
Depreciation charge	73	63
Share of operating associates	4	5
Exchange differences on fixed assets	-	-
Revaluation of land and buildings	-	-
Other exchange difference	-	-
Movement in share capital	-	-
(Increase)/decrease in stocks	(303)	(288)
Decrease/(increase) in debtors	(229)	850
(Decrease)/increase in creditors	(2,331)	(174)
	<u>(326)</u>	<u>2,311</u>

**20. Analysis of cash flows**

**Returns on investment and servicing of finance**

Interest received	91	67
Interest paid	-	(1)

**Net cash outflow from returns on investment and servicing of finance**

91	66
----	----

**Taxation**

Overseas tax paid	-	-
Corporation tax paid	105	5
	<u>105</u>	<u>5</u>

**Capital expenditure and financial investment**

Purchase of intangible fixed assets	-	-
Purchase of tangible fixed assets	138	65
Receipts from sale of investments	1,813	2,735

**Net cash outflow from capital expenditure and financial investment**

1,951	2,800
-------	-------

**Financing**

New loan	-	-
Repayment of bank loans	-	-

**Akhter Group Limited**

**Notes to the financial statements (continued)**  
**For The Period Ended 31 December 2022**

**21. Analysis of net debt**

	At beginning of year £' 000	Cash flow £' 000	At end of year £' 000
Cash at bank and in hand	5,223	2,721	7,944
Bank overdrafts	-	-	-
	<u>5,223</u>	<u>2,721</u>	<u>7,944</u>
Bank loans			-
	<u>5,223</u>	<u>2,721</u>	<u>7,944</u>

**22. Ultimate controlling party**

The ultimate controlling party is Professor Humayun Akhter Mughal.

**23. Share of operating profits of associates**

The group has an interest in Silicon CPV of 33.33%.