

Company registration number 01873263 (England and Wales)

ACCESS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ACCESS LIMITED

COMPANY INFORMATION

Directors	BE Lidefelt SJ Currie	(Appointed 22 September 2022)
Secretary	K Higgins	
Company number	01873263	
Registered office	Unit 18 Suttons Business Park Sutton Park Avenue Reading UK RG6 1AZ	
Auditor	Bright Grahame Murray Emperor's Gate 114a Cromwell Road Kensington London SW7 4AG	

ACCESS LIMITED

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ACCESS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present the strategic report for the year ended 31 December 2022.

Business review

The company's sales continue to diversify with growth in transportation ticketing applications and personal identification applications. The company continues to invest in research and development and plans to further broaden its product range with new devices being introduced into its target markets

The Directors are pleased to note the result for the year is satisfactory in the current climate.

Principal risks and uncertainties

Technology risks

The company's main activities involve a range of technologies. The company undertakes a range of technology research and development activities to ensure it remains at the forefront of technological advances within its target markets. The company also reviews, on an ongoing basis, technological developments which might impact the company.

Financial risk management objectives and policies

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The group holds bank balances in foreign currencies to mitigate these risks. Foreign currencies are typically exchanged for GBP at the month end.

Cash Flow Risk

The company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The company and group holds bank balances in foreign currencies to mitigate these risks. Foreign currencies are typically exchanged for GBP at the month end.

Credit Risk

The company's principal financial assets are cash and trade and other receivables. The company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. The group has no significant concentration of credit risk, with exposure spread over a large client base.

Liquidity Risk

The bank balances are controlled in order to ensure sufficient funds are available for the company to meet its business needs.

Global Supply Chain Risk

The Directors continually monitor developments regarding bottlenecks in the global supply chain as the world economies emerge from the COVID-19 global pandemic and the Ukraine conflict. The directors are aware of the potential impact of supply chain issues but are regularly reviewing the company's supply chain to ensure no impact to operations.

Future Developments

The directors expect the Company to continue with its current operations for the foreseeable future.

Key performance indicators

The company utilises the following financial key performance indicators:

	2022	2021
	£	£
Revenue	12,158,725	13,786,676
Gross Margin	29%	45%
EBITDA	(834,547)	1,784,277
Cash	5,354,633	8,265,952

ACCESS LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Other performance indicators

The Directors review a wide range of non-financial key performance indicators to monitor performance. Various indicators such as staff engagement levels, staff retention, productivity and research and development activity are reviewed by the directors on a regular basis.

On behalf of the board

SJ Currie

Director

19 September 2023

ACCESS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Principal activities

The principal activity of the company is the manufacture, design and supply of passport, travel document and ticket readers and validators for mass transit, security and identification purposes.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

LL Crumley	(Resigned 18 February 2022)
RC Glass	(Resigned 12 August 2022)
BE Lidefelt	
SJ Currie	(Appointed 22 September 2022)

Research and development

The company has continued to write off all research and development costs incurred to the profit and loss whilst continuing its strategy to use its knowledge and resources to be innovative in developing new products.

Auditor

Bright Grahame Murray were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, under section 487 (2) they will be deemed to be reappointed in the following year.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Matters covered in the strategic report

Financial risk management policies and objectives and future developments for the year ended 31 December 2022 are disclosed in the strategic report in accordance with Companies Act 2006, s. 414C(11).

ACCESS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

Going concern

Management have carried out a thorough review of the company's ability to prepare these financial statements on the going concern basis. Forecasts have been prepared which focus on the profitability of the group and company until December 2024.

A range of scenarios were assessed in coming to this view and the forecasts have been subjected to sensitivity analysis to reflect this. The group has adequate funds to finance its working capital requirements and debt obligations. After reviewing these forecasts of profitability and working capital requirements of the group and the impact of these on the company, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing these financial statements.

On behalf of the board

SJ Currie
Director

19 September 2023

ACCESS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ACCESS LIMITED

Opinion

We have audited the financial statements of Access Limited (the 'company') for the year ended 31 December 2022 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss 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 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 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 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. In arriving at our opinion we have considered the inherent uncertainties affecting the company such as Brexit, Covid-19 and the war in Ukraine. We have considered the reasonableness of the estimates made by the directors to assess how such risks may affect the company's financial resources and its ability to continue operations over the going concern period.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

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 our audit:

- the information given in the 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

ACCESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ACCESS LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

In identifying and addressing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and employment legislation.
- We enquired of the directors, reviewed correspondence with HMRC and reviewed directors meeting minutes for evidence of non-compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.
- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any incidences of fraud that had taken place during the accounting period.

ACCESS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ACCESS LIMITED

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks. We identified the potential for fraud in the following areas: revenue recognition, related parties outside normal course of business, management override, misappropriation of cash and other assets.
- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.
- We enquired of the directors about actual and potential litigation and claims.
- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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

Use of our report

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

Paul Davis
Senior Statutory Auditor
For and on behalf of Bright Grahame Murray
Chartered Accountants
Statutory Auditor

28 September 2023

Emperor's Gate
114a Cromwell Road
Kensington
London
SW7 4AG

ACCESS LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2021 £
Turnover	3	12,158,725	13,786,676
Cost of sales		(8,592,561)	(7,518,150)
Gross profit		3,566,164	6,268,526
Distribution costs		(1,344,590)	(754,495)
Administrative expenses		(3,194,557)	(3,798,769)
Other operating income		-	467,850
Operating (loss)/profit	4	(972,983)	2,183,112
Interest receivable and similar income	6	57,872	33
Interest payable and similar expenses	7	(2,940)	(7,413)
Exceptional items	8	(455,388)	(1,090,359)
(Loss)/profit before taxation		(1,373,439)	1,085,373
Tax on (loss)/profit	9	499,140	(233,145)
(Loss)/profit for the financial year		(874,299)	852,228
Retained earnings brought forward		12,791,686	11,939,458
Retained earnings carried forward		11,917,387	12,791,686

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ACCESS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Fixed assets			
Tangible assets	11	353,242	83,258
Current assets			
Stocks	12	6,581,796	4,595,718
Debtors	13	3,698,740	2,490,837
Cash at bank and in hand		5,354,633	8,265,952
		<u>15,635,169</u>	<u>15,352,507</u>
Creditors: amounts falling due within one year	14	<u>(4,069,024)</u>	<u>(2,642,079)</u>
Net current assets		<u>11,566,145</u>	<u>12,710,428</u>
Net assets		<u>11,919,387</u>	<u>12,793,686</u>
Capital and reserves			
Called up share capital	17	2,000	2,000
Profit and loss reserves		<u>11,917,387</u>	<u>12,791,686</u>
Total equity		<u>11,919,387</u>	<u>12,793,686</u>

The financial statements were approved by the board of directors and authorised for issue on 19 September 2023 and are signed on its behalf by:

SJ Currie
Director

Company Registration No. 01873263

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Access Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 18, Suttons Business Park, Sutton Park Avenue, Reading, UK, RG6 1AZ.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

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

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

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	20% per annum straight line
Plant and equipment	30% per annum straight line
Computers	30% per annum straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Impairment of fixed assets

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

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.12 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Group tax losses relief

Estimates are made in respect of tax losses available to be utilised from fellow group companies to offset corporation tax payable. Given that these estimates can change due to business or legislative factors, group relief offsetting the corporation tax payable may be subject to change after the balance sheet date or signing of accounts.

Stock cost absorption of overheads and staff costs

The company deploys a cost absorption policy in respect of overheads and staff wages, reallocating costs from the profit and loss account to stock, which in turn is released to cost of sales when the stock is sold. The policy is set on a formula and is applied to finished goods items, the directors believe that the allocation of overheads and staff wages to the cost of stock is appropriate.

Stock provision

The company applies stock provision policy as set out by its ultimate controlling party. The provision can be found in note 12. Provisioning for stock relies upon a certain degree of estimation uncertainty however the directors are satisfied that the provision is appropriate in light of tight controls.

Provision for bad debts

The company applies bad debt provision policy as set out by its ultimate controlling party. The provision can be found in note 13. Provisioning for trade debtors relies upon a certain degree of estimation uncertainty however the directors are satisfied that the provision is appropriate in light of tight controls and regular customer communication.

3 Turnover and other revenue

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	3,063,831	2,753,817
Overseas sales	9,094,894	11,032,859
	<u>12,158,725</u>	<u>13,786,676</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Turnover and other revenue (Continued)

	2022	2021
	£	£
Other revenue		
Interest income	57,872	33
Grants received	-	467,850
	<u> </u>	<u> </u>

4 Operating (loss)/profit

	2022	2021
	£	£
Operating (loss)/profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(93,876)	145,567
Research and development costs	435,547	286,944
Government grants	-	(467,850)
Fees payable to the company's auditor for the audit of the company's financial statements	28,350	28,450
Depreciation of owned tangible fixed assets	138,436	69,015
	<u> </u>	<u> </u>

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2022	2021
	Number	Number
Production	35	38
Research and Development	21	25
Sales	15	17
Administration	5	7
	<u> </u>	<u> </u>
Total	76	87
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2022	2021
	£	£
Wages and salaries	3,880,343	3,522,811
Social security costs	371,169	361,279
Pension costs	234,769	281,372
	<u> </u>	<u> </u>
	4,486,281	4,165,462
	<u> </u>	<u> </u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

6 Interest receivable and similar income

	2022	2021
	£	£
Interest income		
Interest on bank deposits	57,872	33
	<u>57,872</u>	<u>33</u>

7 Interest payable and similar expenses

	2022	2021
	£	£
Interest on bank overdrafts and loans	713	7,413
Other interest	2,227	-
	<u>2,940</u>	<u>7,413</u>

8 Exceptional items

	2022	2021
	£	£
Exceptional items		
Restructuring costs	(455,388)	(175,500)
Other gains/(losses)		
Amounts written back to current loans from subsidiary undertakings	-	142,064
Other gains and losses	-	(1,056,923)
	<u>(455,388)</u>	<u>(1,090,359)</u>

9 Taxation

	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	304,431
Adjustments in respect of prior periods	(109,912)	(89,466)
Total current tax	<u>(109,912)</u>	<u>214,965</u>
Deferred tax		
Origination and reversal of timing differences	(376,664)	(521)
Adjustment in respect of prior periods	(12,564)	18,701
Total deferred tax	<u>(389,228)</u>	<u>18,180</u>
Total tax (credit)/charge	<u>(499,140)</u>	<u>233,145</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Taxation

(Continued)

The actual (credit)/charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
(Loss)/profit before taxation	(1,373,439)	1,085,373
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(260,953)	206,221
Tax effect of expenses that are not deductible in determining taxable profit	171	173,334
Group relief	-	(35,459)
Permanent capital allowances in excess of depreciation	(23,280)	-
Research and development tax credit	-	(27,744)
Under/(over) provided in prior years	(109,912)	(95,473)
Deferred tax adjustments in respect of prior years	(12,564)	18,701
Differences between corporate and deferred tax rates	(92,602)	(6,435)
Taxation (credit)/charge for the year	(499,140)	233,145

Factors that may affect future tax charges

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted). This new law was substantively enacted on 17 March 2020. In the Spring Budget 2021, the UK Government announced that the headline UK corporation tax rate would increase from 19% to 25% from 1 April 2023 on profits in excess of £250,000. This new law has now been substantively enacted at the balance sheet date and so the current deferred tax is calculated at 25%.

10 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2022 £	2021 £
In respect of:		
Fixed asset investments	-	1,056,923
Recognised in:		
Amounts written off investments	-	1,056,923

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Tangible fixed assets

	Leasehold improvements £	Plant and equipment £	Computers £	Total £
Cost				
At 1 January 2022	929,293	1,002,023	430,157	2,361,473
Additions	-	198,123	210,297	408,420
	<u>929,293</u>	<u>1,200,146</u>	<u>640,454</u>	<u>2,769,893</u>
At 31 December 2022	929,293	1,200,146	640,454	2,769,893
Depreciation and impairment				
At 1 January 2022	929,293	938,660	410,262	2,278,215
Depreciation charged in the year	-	80,333	58,103	138,436
	<u>929,293</u>	<u>1,018,993</u>	<u>468,365</u>	<u>2,416,651</u>
At 31 December 2022	929,293	1,018,993	468,365	2,416,651
Carrying amount				
At 31 December 2022	-	181,153	172,089	353,242
	<u>-</u>	<u>181,153</u>	<u>172,089</u>	<u>353,242</u>
At 31 December 2021	-	63,363	19,895	83,258
	<u>-</u>	<u>63,363</u>	<u>19,895</u>	<u>83,258</u>

12 Stocks

	2022 £	2021 £
Raw materials and consumables	5,151,557	4,066,058
Work in progress	1,270,571	473,695
Finished goods and goods for resale	159,668	55,965
	<u>6,581,796</u>	<u>4,595,718</u>

The total provision for irrecoverable stock is £1,225,994 (2021: £619,437) and has been netted off the total stock held.

13 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	2,296,345	1,566,721
Corporation tax recoverable	529,199	-
Amounts owed by group undertakings	6,089	40,285
Other debtors	71,505	86,219
Prepayments and accrued income	379,561	770,799
	<u>3,282,699</u>	<u>2,464,024</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

13 Debtors	(Continued)	
	2022	2021
	£	£
Amounts falling due after more than one year:		
Deferred tax asset (note 15)	416,041	26,813
	<u>416,041</u>	<u>26,813</u>
Total debtors	3,698,740	2,490,837
	<u>3,698,740</u>	<u>2,490,837</u>

The total provision for irrecoverable debts is £196,695 (2021: £228,563) which is offset against trade debtors.

14 Creditors: amounts falling due within one year	2022	2021
	£	£
Trade creditors	2,448,118	2,057,769
Corporation tax	-	14,884
Other taxation and social security	84,026	100,516
Other creditors	87,827	42,676
Accruals and deferred income	1,449,053	426,234
	<u>4,069,024</u>	<u>2,642,079</u>
	<u>4,069,024</u>	<u>2,642,079</u>

15 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets/(Liabilities)	Assets
	2022	2021
	£	£
Balances:		
Accelerated capital allowances	(45,373)	26,813
Tax losses	461,414	-
	<u>416,041</u>	<u>26,813</u>
	<u>416,041</u>	<u>26,813</u>
Movements in the year:		2022
		£
Asset at 1 January 2022		(26,813)
Credit to profit or loss		(389,228)
Asset at 31 December 2022		<u>(416,041)</u>
		<u>(416,041)</u>

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

15 Deferred taxation (Continued)

The deferred tax asset set out above is expected to reverse within 12 months and principally relates to accelerated capital allowances and the utilisation of tax losses against future expected profits of the same period.

16 Retirement benefit schemes

	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	234,769	281,372

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

17 Share capital

	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of £1 each	2,000	2,000	2,000	2,000

18 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	199,893	200,393
Between two and five years	396,500	597,885
	596,393	798,278

19 Related party transactions

The Company has elected not to disclose transactions with other wholly-owned group companies during the period in accordance with FRS 102 section 33 'Related party transactions'.

During the prior year, the Company repaid £760,495 in loans to Assa Abloy AB, the ultimate parent undertaking with no loans due then payable at the prior year end. Interest was charged during the year of £nil (2021: £1,200) on these loans.

There are no other transaction with related parties which are required to be disclosed.

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the Company are considered to be key management personnel.

ACCESS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

20 Ultimate controlling party

The immediate parent company is HID Corporation Limited, a company incorporated in the United Kingdom. The company's ultimate parent company is Assa Abloy AB, a company incorporated in Sweden and quoted on the Swedish stock exchange. The address of Assa Abloy AB is Klarabergsviadukten 90, SE-11164 Stockholm, Sweden. The consolidated financial statements are available to the public and may be obtained from Assa Abloy AB.

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