

Design Rule Limited

Report and abridged accounts

Period Ended

31 December 2021

Company Number 02715857



Design Rule Limited

Report and abridged accounts for the period ended 31 December 2021

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Directors

Alan Sampson	(appointed 2 June 2021)
Simon Turner	(appointed 2 June 2021)
Paul Byerley	(appointed 2 June 2021)
Jeremy Hines	(appointed 2 June 2021)

Registered office

Building 500, Abbey Park, Stareton, Kenilworth, Warwickshire, CV8 2LY

Company number

02715857

Design Rule Limited

Directors' report for the period ended 31 December 2021

The directors present their report and the abridged accounts for the period ended 31 December 2021. During the period the accounting reference date for the Company was changed to 31 December. Accordingly, these abridged accounts cover the 13 month period from 1 December 2020 to 31 December 2021.

Principal activities

The principal activity of the Company is the delivery of sophisticated design, engineering, and enterprise-wide solutions. Revenue for the period was £5,489,889 (30 November 2020: £3,117,991) and gross profit was £1,757,983 (30 November 2020: £187,785). Profit before tax for the period was £581,580 (30 November 2020 (restated): £31,531).

On 2 June 2021 the Company was acquired by Solid Solutions Management Limited. At 31 December 2021 the smallest group in which these financial statements are consolidated is Solid Solutions Management Limited. The largest group in which these financial statements are consolidated is Solid Solutions Group Limited.

On 24 June 2022 Solid Solutions Group Limited, the largest group in which these financial statements are consolidated, was acquired by TriMech UK Holdings Limited, which is ultimately owned by TriMech Parent, LLC.

Directors

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

Alan Sampson	(appointed 2 June 2021)
Simon Turner	(appointed 2 June 2021)
Paul Byerley	(appointed 2 June 2021)
Jeremy Hines	(appointed 2 June 2021)
Katharine Sampson	(appointed 2 June 2021, resigned 24 June 2022)
Robert Hillier	(resigned 2 June 2021)
Maha Hillier	(resigned 2 June 2021)

Exemption from audit by parent guarantee

For the period ending 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



Paul Byerley
Director

Date 30.09.2022

Design Rule Limited

Statement of directors' responsibilities

Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the abridged accounts in accordance with applicable law and regulations.

Company law requires the directors to prepare abridged accounts for each financial period. Under that law the directors have elected to prepare the abridged accounts 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 abridged accounts 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 abridged accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the abridged accounts;
- prepare the abridged accounts 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 abridged accounts 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.

Design Rule Limited
Income statement
for the period ended 31 December 2021

	Period ended 31 December 2021 £	Year ended 30 November 2020 (restated) £
Turnover	5,489,889	3,117,991
Cost of sales	(3,731,906)	(2,930,206)
	<hr/>	<hr/>
Gross profit	1,757,983	187,785
Administrative expenses	(1,176,403)	(209,070)
	<hr/>	<hr/>
Operating profit/(loss)	581,580	(21,285)
Other operating income	-	61,906
	<hr/>	<hr/>
Operating profit	581,580	40,621
Taxation	(123,856)	(9,090)
	<hr/>	<hr/>
Profit for the year	457,724	31,531
	<hr/>	<hr/>

The notes on pages 6 to 11 form part of these abridged accounts.

Design Rule Limited

Balance sheet at 31 December 2021

Company number 02715857

	Note	31 December 2021 £	31 December 2021 £	30 November 2020 (restated) £	30 November 2020 (restated) £
Fixed assets					
Intangible assets	4		-		57,768
Tangible assets	5		2,113		19,120
Total fixed assets			2,113		76,888
Current assets					
Debtors	6	2,082,480		807,070	
Cash at bank and in hand		735,328		891,129	
		2,817,808		1,698,199	
Creditors: amounts falling due within one year	7	(1,751,329)		(914,219)	
Net current assets			1,066,479		783,980
Total assets less current liabilities			1,068,592		860,868
Creditors: amounts falling due after more than one year	8		(8,294)		(258,294)
Net Assets			1,060,298		602,574
Capital and reserves					
Called up share capital	9		9,000		9,000
Capital redemption reserve	9		1,000		1,000
Profit and loss reserves			1,050,298		592,574
Shareholders' funds			1,060,298		602,574

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A — Small entities.

For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- the members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on 30.07.2022 and are signed on its behalf by:


Paul Byerley
Director

The notes on pages 6 to 11 form part of these abridged accounts.

Design Rule Limited

Statement of changes in equity for the period ended 31 December 2021

	Share capital £	Capital redemption reserve £	Profit and loss account £	Total equity £
Balance at 30 November 2019 (restated)	10,000	-	601,840	611,840
Year ended 30 November 2020				
Share buyback	(1,000)	1,000	(40,797)	(40,797)
Profit and total comprehensive income for the year (restated)	-	-	31,531	31,531
Balance at 30 November 2020 (restated)	9,000	1,000	592,574	602,574
Period ended 31 December 2021				
Profit and total comprehensive income for the period	-	-	457,724	457,724
Balance at 31 December 2021	9,000	1,000	1,050,298	1,060,298

The notes on pages 6 to 11 form part of these abridged accounts.

Design Rule Limited

Notes forming part of the abridged accounts for the period ended 31 December 2021

1 Accounting policies

Company information

Design Rule Limited is a private company limited by shares incorporated in England and Wales on 19 May 1992. The registered office is Building 500 Abbey Park, Stareton, Kenilworth, Warwickshire, CV8 2LY.

1.1 Accounting convention

These abridged accounts 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 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The abridged accounts are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these abridged accounts are rounded to the nearest £.

1.2 Going concern

The directors have assessed the financial position of the Company, including its trading forecasts, cash position and funding requirements and have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. The Company therefore adopts the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents net invoiced sales of goods and services, excluding value added tax, except in respect of training contracts where turnover is recognised when the Company obtains the right to consideration through the performance of the contract. Revenue invoiced in advance of entitlement to the consideration is shown as deferred income.

1.4 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.5 Research and development

Expenditure on research activities is recognised in the profit and loss account as an expense as incurred.

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets.

The estimated useful lives are as follows:

Computer equipment - 2 – 5 years

Design Rule Limited

Notes forming part of the abridged accounts for the period ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

1.7 Cash and cash equivalents

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

1.8 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met are not provided for. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

1.9 Basic 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 liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors and bank loans are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Design Rule Limited

Notes forming part of the abridged accounts
for the period ended 31 December 2021 (*continued*)

1 Accounting policies (*continued*)

1.10 Employee benefits

Defined contribution plans and other long term employee benefits

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the years during which services are rendered by employees.

2 Change in accounting policy

Arising from a change in ownership during the period ended 31 December 2021 the accounting policy in respect of depreciation has been changed to ensure the application of uniform accounting policies consistent with those of its parent company. A number of assets are now being depreciated over a shorter useful life than previously.

The impact of the change in account policy on the financial statements is as follows:

	30 November 2020 £
Decrease in administrative expenses	5,164
	<hr/>
Increase in profit	5,164
	<hr/>

3 Staff numbers

The average monthly number of persons (including directors) employed by the Company during the year was 14 (2020 – 15).

Design Rule Limited

Notes forming part of the abridged accounts
for the period ended 31 December 2021 (*continued*)

4 Intangible fixed assets

	£
<i>Cost</i>	
At 1 December 2020	288,279
Disposals	(288,279)
	<hr/>
At 31 December 2021	-
	<hr/>
<i>Depreciation</i>	
At 1 December 2020	230,511
Charge for the year	57,768
Disposals	(288,279)
	<hr/>
At 31 December 2021	-
	<hr/>
<i>Net book value</i>	
At 31 December 2021	-
	<hr/>
At 30 November 2020	57,768
	<hr/>

5 Tangible fixed assets

	Computer equipment £
<i>Cost</i>	
At 1 December 2020	222,158
Additions	2,227
	<hr/>
At 31 December 2021	224,385
	<hr/>
<i>Depreciation</i>	
At 1 December 2020	203,038
Charge for the year	19,234
	<hr/>
At 31 December 2021	222,272
	<hr/>
<i>Net book value</i>	
At 31 December 2021	2,113
	<hr/>
At 30 November 2020	19,120
	<hr/>

Design Rule Limited

Notes forming part of the abridged accounts
for the period ended 31 December 2021 (continued)

6 Debtors

	31 December 2021 £	30 November 2020 £
Trade debtors	2,070,678	683,537
Other debtors	-	22,121
Prepayments	6,006	16,926
Directors' loan account (note 10)	-	84,486
Amounts owed to group undertakings	5,796	-
	<u>2,082,480</u>	<u>807,070</u>

7 Creditors: amounts falling due within one year

	31 December 2021 £	30 November 2020 £
Trade creditors	350,144	542,980
Taxation and social security	469,610	355,769
Accruals and deferred income	799,307	4,517
Other creditors	8,412	142
Corporation tax liability	123,856	10,811
	<u>1,751,329</u>	<u>914,219</u>

8 Creditors: amounts falling due after more than one year

	31 December 2021 £	30 November 2020 £
Bank loan	-	250,000
Deferred tax	8,294	8,294
	<u>8,294</u>	<u>258,294</u>

Bank loans are due for repayment as follows:

	31 December 2021 £	30 November 2020 £
Due within 1 to 2 years	-	62,500
Due within 2 to 5 years	-	187,500
	<u>-</u>	<u>250,000</u>

Design Rule Limited

Notes forming part of the abridged accounts
for the period ended 31 December 2021 (continued)

9 Share capital

£

Share capital

Issued and fully paid

At 1 December 2020 (9,000 ordinary shares at £1 each)

9,000

At 31 December 2021

9,000

Capital redemption reserve

At 1 December 2020

1,000

At 31 December 2021

1,000

10 Directors' loan account

The following advances and credits to a director subsisted during the periods ended 31 December 2021 and 30 November 2020.

	31 December 2021 £	30 November 2020 £
Balance outstanding at the start of the period	84,486	84,486
Amounts advanced	-	84,486
Amounts repaid	(84,486)	(84,486)
Balance outstanding at the end of the period	-	84,486

11 Ultimate parent company and controlling party

Until 2 June 2021 the Company had no parent company.

On 2 June 2021 the Company was acquired by Solid Solutions Management Limited. The smallest group in which these financial statements are consolidated is Solid Solutions Management Limited. The largest group in which these financial statements are consolidated is Solid Solutions Group Limited. Both companies are registered in England and Wales and the Registered Office of both companies is Building 500 Abbey Park, Stareton, Kenilworth, Warwickshire, CV8 2LY. There is no one ultimate controlling party.

On 24 June 2022 Solid Solutions Group Limited was acquired by TriMech UK Holdings Limited. TriMech UK Holdings Limited is ultimately owned by TriMech Parent, LLC., registered in the United States of America, for which there is no one ultimate controlling party.