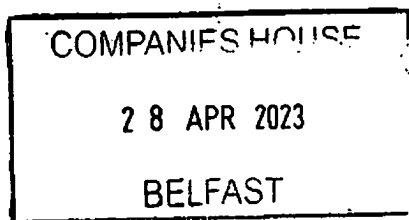


# Consolidated Financial Statements

## Fourds Limited

For the financial year ended 30 April 2022



Registered number: NI055056

**Fourds Limited**

## Company Information

<b>Directors</b>	C Diamond I Diamond L Diamond K McCullagh C McGonnell-Cushnahan B O'Kane M Wilson
<b>Company secretary</b>	I Diamond
<b>Registered number</b>	NI055056
<b>Registered office</b>	26B Station Road Magherafelt Londonderry BT45 5DN
<b>Independent auditor</b>	Grant Thornton (NI) LLP Chartered Accountants & Statutory Auditors 12 - 15 Donegall Square West Belfast BT1 6JH
<b>Bankers</b>	AIB (NI) Ballymena BT43 6AF
<b>Solicitors</b>	Tughans Marlborough House 30 Victoria Street Belfast BT1 3GG

## Contents

	Page
<b>Group strategic report</b>	1
<b>Directors' report</b>	2 - 6
<b>Independent auditor's report</b>	7 - 10
<b>Consolidated income statement</b>	11
<b>Consolidated statement of comprehensive income</b>	12
<b>Consolidated statement of financial position</b>	13 - 14
<b>Company statement of financial position</b>	15 - 16
<b>Consolidated statement of changes in equity</b>	17
<b>Company statement of changes in equity</b>	18
<b>Consolidated Statement of cash flows</b>	19 - 20
<b>Consolidated analysis of net debt</b>	21
<b>Notes to the financial statements</b>	22 - 44

## Group strategic report

For the financial year ended 30 April 2022

### Introduction

The directors are pleased to present the Strategic Report for the group for the year to 30 April 2022.

### Principal activity and business review

The principal activities of the group for the year under review is that of the design and manufacture of blinds.

The directors consider the results for the year to be in line with expectations with turnover of £13,592,069 (2021: £101,899,415) and profit before tax of £225,333 (2021: £27,374,021). Net assets of the group at the 30 April 2022 were £9,362,776 (2021: £11,893,750).

The directors are satisfied with the group's performance for the year. Further review of the business is noted within the directors report.

### Principal risks and uncertainties

The directors consider that the principal risks and uncertainties faced by the group are in the following categories:

#### *Economic risk*

The group is exposed to the risk of foreign exchange losses, increased interest rates and inflation having a negative impact on served markets.

#### *Competition risk*

The directors of the group manage competition through close attention to market research, benchmarking with competitors and recruitment of highly skilled staff.

#### *Financial risk*


The group prepares regular cash flow projections to review liquidity requirements and had prepared detailed plans covering the next three years of trading. The directors have financial reporting procedures in place to manage credit, liquidity and other financial risk.

### Financial key performance indicators

The directors consider gross profit margin to be the main key performance indicator of the group. Gross profit margin for the year ended 30 April 2022 was 24.4% (2021: 31.0%).

This report was approved by the board on 25 April 2023

and signed on its behalf.



C Diamond  
Director

## **Directors' report**

**For the financial year ended 30 April 2022**

The directors present their report and the financial statements for the financial year ended 30 April 2022.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 for the Group's financial statements and then apply them consistently;
- make judgments 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 Group will continue in business.

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

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

### **Results and dividends**

The profit for the financial year, after taxation, amounted to £552,352 (2021 - £22,680,883).

A dividend of £3,120,000 was declared during the year (2021: £120,000). No Dividend in Specie was paid in 2022 (2021: £15,042,940).

### **Directors**

The directors who served during the financial year were:

C Diamond  
I Diamond  
L Diamond  
K McCullagh  
C McGonnell-Cushnahan  
B O'Kane  
M Wilson

## Directors' report (continued)

For the financial year ended 30 April 2022

### Business review and future developments

#### General

The Bloc Group of companies, which undertook a restructure during the financial year to align businesses geographically and by sector. Fourds Ltd T/A Bloc Blinds and its subsidiaries were part of this restructure. Bloc Global was incorporated on 30/04/2021 and is the parent company of Fourds, with specific business areas being aligned by sector within this entity.

As predicted, in the Bloc Blinds business, the strong performance in year ended 2021, due to consumers focusing on home improvements, followed a period of readjustment in consumer spending due to restrictions being lifted and online traffic reducing in year ended 2022.

Similarly due to the recovery from the Covid-19 pandemic, the demand for PPE significantly reduced. In the period as part of this restructure all sales associated with the PPE business were transferred to the Bloc PPE Ltd entity. Brexit, the uncertainty and the additional costs that it presented during the year, focused our business on maintaining sustainable growth in our European markets through in-market presence.

In addition, the business focussed on new growth opportunities beyond the UK and Europe. This focus is proving fruitful with the investments in key strategic hires already proving worthwhile.

This financial year was a year of readjustment and refocussing resources to new opportunities. Significant investments in areas such as automation were made to enable the long-term growth of the business.

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

**For the financial year ended 30 April 2022**

### **Business review and future developments (continued)**

#### **Supply Chain**

Bloc Blinds is an in-market manufacturer of window blinds. Bloc continue to focus on expanding its local supply chain, within N. Ireland, the rest of the UK, and Europe, mitigating future risks of supplies coming from further afield, that are vulnerable to future pandemics, or international supply chain blocks. Bloc continue to develop its manufacturing operations in Northern Ireland, and strengthen even further its supply chain, leaving the company in a strong position to continue consistent, quality supply of goods to the UK, the EU and the US markets in 2022/23. Brexit has presented a more significant impact to Bloc with uncertainty in business trading during the financial year. Bloc has and continues to invest heavily in local European supply chains to secure continuity in supply in the longer term.

#### **Bloc's Corporate Social Responsibility**

The company is continuing to work on formalising our CSR strategy. We are focusing on how our strategy can have a positive impact on society, how we can give back to the community and provide positive social value to our employees and our local community.

#### **Valuing People**

Bloc's employees and workplace culture is central to our success. We invest in our personnel through developing them, rewarding them for their efforts, and providing additional benefits to highlight and reward efforts.

Bloc continue to focus on our people through our 'We Are Bloc' committee, who are responsible for delivering Social, Health & Wellbeing initiatives across the business for all our employees.

Bloc implemented a Mental Health Charter in 2018 and strive to provide help and support to staff. Also, through regular staff events, we aim to facilitate a happy workplace where staff feel listened to and supported.

#### **Community & Partnering**

Bloc actively support a range of local charities and community groups. Community led projects are encouraged by staff through volunteering and fundraising projects. Our key charity partners for 2022 were Cruse Bereavement and Tiny Life.

The election of chosen charities of the year, and community groups are made by the employees, and their efforts to give back are continually evident in our various fundraising activities we arranged or took part in during the year.

#### **Resource Efficiency**

Bloc continue to maintain their ISO 9001 2015 certification, putting emphasis on a fully functioning QMS. Quality is one of Blocs key company values and is something we constantly strive to improve in all areas of our business, not only our product.

## Directors' report (continued)

For the financial year ended 30 April 2022

### Business review and future developments (continued)

#### Environmental Management

At Bloc we recycle all card and plastic waste, we work with International Synergies to understand new and innovative ways to use our waste products, such as sending by-product of blind manufacturing to a local Men's Shed who use the product supporting the local community.

All our fabric is lead free and sustainably sourced, manufactured in a certified Five Zero Green sustainable production process whereby biofuel is used to power production equipment, water is recycled via a closed-circuit water purification facility and no harmful ingredients are used.

#### Business Outlook

Bloc is planning for long term, sustainable growth, particularly in the European and USA markets. Bloc have invested heavily in 2022 in growth plans, and are planning to continue to invest and re-strategize to achieve sustainable growth. Innovation remains central to the business strategy and Bloc are planning for a period of continued investment in new innovations and new ideas, that will present longer term, sustainable growth for the company.

Brexit has presented challenges during the financial year, and we will continue to review our supply chains, and focus on our European markets through in-market presence in order to build sustainable growth.

USA continues to present good growth opportunities for the Bloc Group, and the company see the next 12 to 24 months as a period of investing and building our business in this market.

#### Research and development activities

The Group continues to utilise its expertise to further advance its products and remain at the forefront of technology in the manufacture of blinds and personal protective equipment. The Group continues to work with new and existing customers and suppliers to develop its knowledge and product range. Total Group expenditure (capitalised and expensed) on research and development in the year was £199,482 (2021: £168,865).

#### Branches outside the United Kingdom

The Group operates subsidiary companies in The Netherlands and the United States of America.

#### Matters covered in the Group strategic report

Under Schedule 7.1A of "Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008" the group has elected to disclose the following directors' report information in the strategic report:

- Principal activities and business review
- Principal risks and uncertainties
- Financial key performance indicators



## Directors' report (continued)

For the financial year ended 30 April 2022

### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

### Post balance sheet events


There are no post balance sheet events to note.

### Auditor

The auditor, Grant Thornton (NI) LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 April 2023

and signed on its behalf.



C Diamond  
Director



## Independent auditor's report to the members of Fourds Limited

### Opinion

We have audited the financial statements of Fourds Limited (the 'parent Company') and its subsidiaries (the 'Group'), which comprise the Consolidated Income statement, the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity for the financial year ended 30 April 2022, and the related 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, Fourds Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Group's and the Company as at 30 April 2022 and of the Group financial performance and cash flows for the financial year then ended; 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 'Responsibilities of the auditor 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 United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. 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 Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from the date 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.



## Independent auditor's report to the members of Fourds Limited (continued)

### **Other information**

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Directors' report and the Strategic Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the 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 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 in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Directors' report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the Directors' report and the Strategic Report have 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 company and its environment we have obtained in the course of the audit, we have not identified material misstatements in the Directors' report and the Strategic Report.

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

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



## Independent auditor's report to the members of Fourds Limited (continued)

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS102 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, management is responsible for assessing the Group 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 management either intend to liquidate the Group and Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

### **Responsibilities of the auditor for the audit of the financial statements**

The objectives of an auditor 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 their 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.

A further description of an auditor's 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 auditor's report.

### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with Employment Law, Environmental Regulations and Health and safety laws, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and applicable tax laws. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.



## Independent auditor's report to the members of Fourds Limited (continued)

### **Responsibilities of the auditor for the audit of the financial statements (continued)**

#### *Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)*

In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the company's regulatory and legal correspondence and review of minutes of the board of directors meetings during the year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including estimating useful lives of tangible fixed assets, allowance for the impairment of bad debt and allowance for the impairment in stock;
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management.

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

Louise Kelly (Senior statutory auditor)  
for and on behalf of

**Grant Thornton (NI) LLP**  
Chartered Accountants  
Statutory Auditors  
Belfast

Date: 25 April 2023

## Consolidated income statement

For the financial year ended 30 April 2022

	Note	2022 £	2021 £
Turnover	4	13,592,069	101,899,415
Cost of sales		(10,270,763)	(70,523,214)
<b>Gross profit</b>		<b>3,321,306</b>	<b>31,376,201</b>
Administrative expenses		(3,246,723)	(4,028,572)
Other operating income	5	142,047	21,006
<b>Operating profit</b>	6	<b>216,630</b>	<b>27,368,635</b>
Interest receivable and similar income	10	35,823	-
Interest payable and similar expenses	11	(27,120)	5,386
<b>Profit before tax</b>		<b>225,333</b>	<b>27,374,021</b>
Tax on profit	12	327,019	(4,693,138)
<b>Profit for the financial financial year</b>		<b>552,352</b>	<b>22,680,883</b>
<b>Profit for the financial year attributable to:</b>			
Owners of the parent		552,352	22,680,883

The notes on pages 22 to 44 form part of these financial statements.

All amounts relate to continuing operations.

## Consolidated statement of comprehensive income

For the financial year ended 30 April 2022

	Note	2022 £	2021 £
Profit for the financial financial year		552,352	22,680,883
<b>Other comprehensive income</b>			
Currency translation differences		16,757	(17,710)
<b>Other comprehensive income for the financial year/year</b>		16,757	(17,710)
<b>Total comprehensive income for the financial year</b>		569,109	22,663,173
<b>Profit for the financial year attributable to:</b>			
Owners of the parent Company		552,352	22,680,883
		552,352	22,680,883
<b>Total comprehensive income attributable to:</b>			
Owners of the parent Company		569,109	22,663,173
		569,109	22,663,173

The notes on pages 22 to 44 form part of these financial statements.

Fourds Limited

Registered number: NI055056

## Consolidated statement of financial position

As at 30 April 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	454,485	380,227
Tangible assets	15	1,512,210	927,918
		<u>1,966,695</u>	<u>1,308,145</u>
<b>Current assets</b>			
Stocks	17	3,321,568	1,531,182
Debtors: amounts falling due after more than one year	18	613,103	-
Debtors: amounts falling due within one year	18	3,906,739	4,619,606
Cash at bank and in hand	19	3,744,294	22,429,943
		<u>11,585,704</u>	<u>28,580,731</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	20	(3,418,935)	(17,096,761)
<b>Net current assets</b>		<u>8,166,769</u>	<u>11,483,970</u>
<b>Total assets less current liabilities</b>		<u>10,133,464</u>	<u>12,792,115</u>
Creditors: amounts falling due after more than one year	21	(550,825)	(741,998)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(241,787)	(156,367)
		<u>(241,787)</u>	<u>(156,367)</u>
<b>Net assets</b>		<u>9,340,852</u>	<u>11,893,750</u>
<b>Capital and reserves</b>			
Called up share capital	25	96	90
Other reserves	26	-	2,013
Profit and loss account	26	9,340,756	11,891,647
<b>Equity attributable to owners of the parent Company</b>		<u>9,340,852</u>	<u>11,893,750</u>
		<u>9,340,852</u>	<u>11,893,750</u>



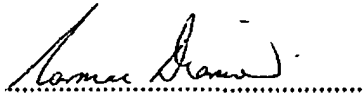
Fourds Limited

Registered number: NI055056

## Consolidated statement of financial position (continued)

As at 30 April 2022

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 April 2023



C Diamond  
Director



C McGonnell-Cushnahan  
Director

The notes on pages 22 to 44 form part of these financial statements.

Fourds Limited

Registered number:NI055056

## Company statement of financial position

As at 30 April 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Intangible assets	14	454,485	380,227
Tangible assets	15	1,351,446	879,536
Investments		91	91
		<u>1,806,022</u>	<u>1,259,854</u>
<b>Current assets</b>			
Stocks	17	3,321,568	1,531,182
Debtors: amounts falling due after more than one year	18	613,103	-
Debtors: amounts falling due within one year	18	4,036,330	4,558,756
Cash at bank and in hand	19	3,598,509	22,428,641
		<u>11,569,510</u>	<u>28,518,579</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	20	(3,187,195)	(17,053,834)
<b>Net current assets</b>		<u>8,382,315</u>	<u>11,464,745</u>
<b>Total assets less current liabilities</b>		<u>10,188,337</u>	<u>12,724,599</u>
Creditors: amounts falling due after more than one year	21	(550,825)	(741,998)
<b>Provisions for liabilities</b>			
Deferred taxation	24	(241,787)	(156,367)
		<u>(241,787)</u>	<u>(156,367)</u>
<b>Net assets</b>		<u>9,395,725</u>	<u>11,826,234</u>
<b>Capital and reserves</b>			
Called up share capital	25	96	90
Other reserves	26	-	2,013
Profit and loss account carried forward		9,395,629	11,824,131
		<u>9,395,725</u>	<u>11,826,234</u>

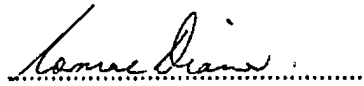
Fourds Limited

Registered number: NI055056

## Company statement of financial position (continued)

As at 30 April 2022

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



**C Diamond**  
Director



**C McGonnell-Cushnahan**  
Director

25 April 2023

The notes on pages 22 to 44 form part of these financial statements.

## Consolidated statement of changes in equity

For the financial year ended 30 April 2022

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 May 2020</b>	90	2,013	4,391,414	4,393,517
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	22,680,883	22,680,883
Currency translation differences	-	-	(17,710)	(17,710)
Dividends: Equity capital	-	-	(15,162,940)	(15,162,940)
<b>At 1 May 2021</b>	90	2,013	11,891,647	11,893,750
<b>Comprehensive income for the financial year</b>				
Profit for the financial year	-	-	552,352	552,352
Currency translation differences	-	-	16,757	16,757
Dividends (Note 13)	-	-	(3,120,000)	(3,120,000)
Shares issued during the financial year	6	-	-	6
Movements in relation to share based payments	-	(2,013)	-	(2,013)
<b>At 30 April 2022</b>	96	-	9,340,756	9,340,852

The notes on pages 22 to 44 form part of these financial statements.

## Company statement of changes in equity

For the financial year ended 30 April 2022

	Called up share capital	Other reserves	Profit and loss account	Total equity
	£	£	£	£
<b>At 1 May 2020</b>	90	2,013	4,349,183	4,351,286
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	22,637,888	22,637,888
Dividends: Equity capital	-	-	(15,162,940)	(15,162,940)
<b>At 1 May 2021</b>	90	2,013	11,824,131	11,826,234
<b>Comprehensive income for the year</b>				
Profit for the financial year	-	-	691,498	691,498
Dividends (Note 13)	-	-	(3,120,000)	(3,120,000)
Shares issued during the financial year	6	-	-	6
Movements in relation to share based payments	-	(2,013)	-	(2,013)
<b>At 30 April 2022</b>	96	-	9,395,629	9,395,725

The notes on pages 22 to 44 form part of these financial statements.

## Consolidated statement of cash flows

For the financial year ended 30 April 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	552,352	22,680,883
<b>Adjustments for:</b>		
Amortisation of intangible assets	57,611	27,496
Depreciation of tangible assets	162,389	152,825
Bad debt expense	3,480	357,886
Loss on disposal of tangible assets	40,381	41,031
Interest paid	27,120	-
Interest received	(35,823)	(5,386)
Taxation charge	(327,019)	4,693,138
(Increase)/decrease in stocks	(1,790,386)	86,834
Decrease/(increase) in debtors	1,940,381	(519,929)
(Increase)/decrease in amounts owed by groups	(570,046)	-
(Increase)/decrease in amounts owed by related parties	(41,473)	26,037
(Decrease)/increase in creditors	(1,675,590)	781,539
(Decrease)/increase in amounts owed to groups	(14,599,790)	12,336,295
Corporation tax received/(paid)	-	(4,630,612)
Share based payment	(2,013)	-
<b>Net cash generated from operating activities</b>	<b>(16,258,426)</b>	<b>36,028,037</b>
<b>Cash flows from investing activities</b>		
Purchase of intangible fixed assets	(138,884)	(98,477)
Purchase of tangible fixed assets	(789,757)	(1,448,067)
Sale of tangible fixed assets	9,710	3,041,777
Purchase of fixed asset investments	-	(100)
Sale of fixed asset investments	-	100
Intercompany loan disbursement	(784,311)	-
<b>Net cash from investing activities</b>	<b>(1,703,242)</b>	<b>1,495,233</b>

## Consolidated statement of cash flows (continued)

For the financial year ended 30 April 2022

	2022 £	2021 £
<b>Cash flows from financing activities</b>		
New secured loans	-	(85,952)
Repayment of loans	(431,311)	(125,720)
Repayment of finance leases	(41,908)	38,311
Loans from other participating interests repaid	-	(638,838)
Dividends paid	-	(15,162,940)
<b>Net cash used in financing activities</b>	<b>(473,219)</b>	<b>(15,975,139)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(18,434,887)</b>	<b>21,548,131</b>
Cash and cash equivalents at beginning of financial year	22,179,181	631,049
<b>Cash and cash equivalents at the end of financial year</b>	<b>3,744,294</b>	<b>22,179,180</b>
<b>Cash and cash equivalents at the end of financial year comprise:</b>		
Cash at bank and in hand	3,744,294	22,429,943
Bank overdrafts	-	(250,763)
	<b>3,744,294</b>	<b>22,179,180</b>

The notes on pages 22 to 44 form part of these financial statements.

## Consolidated Analysis of Net Debt

For the financial year ended 30 April 2022

	At 1 May 2021 £	Cash flows £	At 30 April 2022 £
Cash at bank and in hand	22,429,943	(18,685,649)	3,744,294
Bank overdrafts	(250,763)	250,763	-
Debt due after 1 year	(650,652)	158,147	(492,505)
Debt due within 1 year	(174,000)	-	(174,000)
Finance leases	(129,007)	37,189	(91,818)
	<u>21,225,521</u>	<u>(18,239,550)</u>	<u>2,985,971</u>

The notes on pages 22 to 44 form part of these financial statements.



## Notes to the financial statements

For the financial year ended 30 April 2022

### 1. General information

Fourds Limited is a private company limited by shares and incorporated in Northern Ireland. The registered office is 26B Station Road, Magherafelt, BT45, 5DN.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

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

The Group financial statements consolidate the financial statements of Fourds Limited and all its subsidiary undertakings drawn up to 30 April each year.

The Parent Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Income Statement in these financial statements. The Parent Company's profit after tax for the year was £713,422 (2021: £22,637,888).

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notifications of, and no objections to, the use of exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions in its individual financial statements:

- from preparing a statement of cashflows, on the basis that it is a qualifying entity and the consolidated statement of cashflows, included in these financial statements, includes the Company's cashflow;
- from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- from disclosing share based payment arrangements, required under FRS 102 paragraphs 26.18 (c), 26.19, 26.21 and 26.23, concerning its own equity instruments. The Company financial statements are presented with the consolidated financial statements and the relevant disclosures are included therein; and
- from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

The following principal accounting policies have been applied:

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.2 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Income Statement from the date on which control is obtained. They are deconsolidated from the date control ceases.

#### 2.3 Going concern

After reviewing the group's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

#### 2.4 Foreign currency translation

##### Functional and presentation currency

The Company's functional and presentational currency is GBP.

##### Transactions and balances

Foreign currency transactions are translated into the functional currency using the average monthly rates from HMRC.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated income statement within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

#### 2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

#### 2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a reducing balance basis at 20%.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.8 Government grants

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

Grants of a revenue nature are recognised in the Consolidated income statement in the same period as the related expenditure.

#### 2.9 Interest income

Interest income is recognised in profit or loss using the effective interest method.

#### 2.10 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### 2.11 Borrowing costs

All borrowing costs are recognised in profit or loss in the financial year in which they are incurred.

#### 2.12 Pensions

##### Defined contribution pension plan

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

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

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.13 Share based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

#### 2.14 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.15 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Patents	-	20	years
Development costs	-	5	years

#### 2.16 Development costs

During the year the group capitalised development costs of £93,929 (2021: £107,529). The capitalisation is recognised where the entity's assets have fully entered the development phase. Those expenses incurred on ongoing research costs are expensed to profit & loss. All projects are assessed individually.

#### 2.17 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land is not depreciated. Construction in progress (CIP) reflects the cost of construction work undertaken but not yet completed. No depreciation is recorded until asset is placed in use. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line and reducing balance methods as appropriate.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	reducing balance
Motor vehicles	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.18 Impairment of fixed assets

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

#### 2.19 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

#### 2.20 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

#### 2.21 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.22 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

#### 2.23 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.24 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

#### 2.25 Financial instruments

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

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

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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



## Notes to the financial statements

For the financial year ended 30 April 2022

### 2. Accounting policies (continued)

#### 2.25 Financial instruments (continued)

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

#### 2.26 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

Preparation of the financial statements requires the directors to make significant judgments and estimates. The items in the financial statements where these judgments and estimates have been made include:

#### *Estimating useful lives of tangible and intangible fixed assets*

The company estimates the useful lives of tangible and intangible fixed assets based on the period over which the assets are expected to be available for use. The estimated useful lives are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of those assets.

#### *Allowance for slow-moving and obsolete inventory*

Management evaluates the realisability of inventory on a case by case basis and makes adjustments to the inventory provision based on an analysis of the historical usage of the individual inventory items.

#### *Allowance for impairment of trade receivables*

The directors estimate the allowance for doubtful trade receivables based on an assessment of specific accounts where the directors have objective evidence, comprising a default in payment terms or significant financial difficulty, that certain customers are unable to meet their financial obligations.

### 4. Turnover

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

	2022	2021
	£	£
Sale of goods	13,592,069	101,899,415

No analysis of turnover by geographical location has been disclosed as, in the opinion of the directors, such disclosure would be seriously prejudicial to the interests of the group.

# Notes to the financial statements

For the financial year ended 30 April 2022

## 5. Other operating income

	2022	2021
	£	£
Government grants - rates	142,047	21,006
	<u>142,047</u>	<u>21,006</u>

## 6. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Amortisation	57,611	27,496
Exchange differences	102,739	106,757
Other operating lease rentals	431,648	84,449
Depreciation	<u>162,389</u>	<u>152,825</u>

## 7. Auditor's remuneration

	2022	2021
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>15,880</u>	<u>15,880</u>
<b>Fees payable to the Group's auditor and its associates in respect of:</b>		
Taxation compliance services	1,200	1,200
Statutory accounts preparation	<u>1,000</u>	<u>1,000</u>
	<u>2,200</u>	<u>2,200</u>

## Notes to the financial statements

For the financial year ended 30 April 2022

### 8. Employees

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

	Group 2022 £	Group 2021 £
Wages and salaries	2,424,525	2,624,473
Social security costs	261,686	318,072
Cost of defined contribution scheme	136,589	119,231
	<u>2,822,800</u>	<u>3,061,776</u>

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

	2022 No.	2021 No.
Production	24	68
Administration	62	49
	<u>86</u>	<u>117</u>

During the year, the Group employed XX (2021 - XX) personnel through agency.

### 9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	556,517	588,583
Company contributions to defined contribution pension schemes	39,326	27,757
	<u>595,843</u>	<u>616,340</u>

# Notes to the financial statements

For the financial year ended 30 April 2022

## 9. Directors' remuneration (continued)

During the financial year retirement benefits were accruing to 5 directors (2021 - 5) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £130,000 (2021 - £154,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10,400 (2021 - £14,002).

## 10. Interest receivable

	2022 £	2021 £
Other interest receivable	35,823	-

## 11. Interest payable and similar expenses

	2022 £	2021 £
Other loan interest payable	22,182	(9,626)
Finance leases and hire purchase contracts	4,938	4,240
	27,120	(5,386)

## 12. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	69,318	4,999,136
Adjustments in respect of previous periods	(481,757)	(368,524)
<b>Total current tax</b>	<b>(412,439)</b>	<b>4,630,612</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	85,420	62,526
<b>Total deferred tax</b>	<b>85,420</b>	<b>62,526</b>
<b>Taxation on (loss)/profit on ordinary activities</b>	<b>(327,019)</b>	<b>4,693,138</b>

## Notes to the financial statements

For the financial year ended 30 April 2022

### 12. Taxation (continued)

#### Factors affecting tax charge for the financial year

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

	2022 £	2021 £
Profit on ordinary activities before tax	<u>225,333</u>	<u>27,374,021</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	42,813	5,201,064
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	12,841	88,131
Adjustments to tax charge in respect of prior periods	(481,757)	(368,524)
Fixed asset timing differences	11,571	(11,331)
Adjustments to tax charge in respect of previous periods - deferred tax	(11,653)	-
Other tax adjustments, reliefs and transfers	-	12,545
Remeasurement of deferred tax for changes in tax rates	58,029	-
Income not taxable for tax purposes	-	64,936
Deferred tax not recognised	-	(293,683)
Adjustments in respect of foreign operations	44,525	-
Share schemes	(3,388)	-
<b>Total tax charge for the financial year</b>	<u><b>(327,019)</b></u>	<u><b>4,693,138</b></u>

#### Factors that may affect future tax charges

The standard rate of UK Corporation Tax is to remain at 19% until 31 March 2023. The Finance Act 2021, now substantively enacted, states that this rate is to be increased from 19% to 25% from 1 April 2023 for companies generating taxable profits of more than £250,000. The current 19% tax rate will continue to apply to 'small' companies with profits less than £50,000, with a 'taper relief rate' for those companies with profits between the new thresholds. These proposed changes have been reflected in these financial statements and deferred tax assets and liabilities have been recognised at using the tax rates applicable for the date the assets and liabilities are expected to reverse.

# Notes to the financial statements

For the financial year ended 30 April 2022

## 13. Dividends to parent company

	2022 £	2021 £
Dividends paid to parent company	3,120,000	120,000
Dividends in Specie	-	15,042,940
	<u>3,120,000</u>	<u>15,162,940</u>

## 14. Intangible assets

### Group and Company

	Patents £	Development costs £	Total £
<b>Cost</b>			
At 1 May 2021	176,401	274,538	450,939
Additions	44,955	93,929	138,884
Disposals	-	(7,015)	(7,015)
At 30 April 2022	<u>221,356</u>	<u>361,452</u>	<u>582,808</u>
<b>Amortisation</b>			
At 1 May 2021	15,713	54,999	70,712
Charge for the financial year	9,714	47,897	57,611
At 30 April 2022	<u>25,427</u>	<u>102,896</u>	<u>128,323</u>
<b>Net book value</b>			
At 30 April 2022	<u>195,929</u>	<u>258,556</u>	<u>454,485</u>
At 30 April 2021	<u>160,688</u>	<u>219,539</u>	<u>380,227</u>

All of the Group's intangible fixed assets are held in the Parent company.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 15. Tangible fixed assets

#### Group

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	CIP £	Total £
<b>Cost or valuation</b>					
At 1 May 2021 (restated)	959,883	71,200	187,008	293,699	1,511,790
Additions	148,318	32,486	92,303	516,650	789,757
Disposals	(41,582)	(27,000)	-	(27,846)	(96,428)
Transfers between classes	45,322	-	-	(45,322)	-
Exchange adjustments	95	-	(1,108)	-	(1,013)
At 30 April 2022	<u>1,112,036</u>	<u>76,686</u>	<u>278,203</u>	<u>737,181</u>	<u>2,204,106</u>
<b>Depreciation</b>					
At 1 May 2021	440,510	35,561	107,801	-	583,872
Charge for the financial year	119,389	13,762	29,238	-	162,389
Disposals	(32,619)	(23,043)	-	-	(55,662)
Exchange adjustments	1,554	(65)	(192)	-	1,297
At 30 April 2022	<u>528,834</u>	<u>26,215</u>	<u>136,847</u>	<u>-</u>	<u>691,896</u>
<b>Net book value</b>					
At 30 April 2022	<u>583,202</u>	<u>50,471</u>	<u>141,356</u>	<u>737,181</u>	<u>1,512,210</u>
At 30 April 2021	<u>519,373</u>	<u>35,639</u>	<u>79,207</u>	<u>293,699</u>	<u>927,918</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	99,793	109,808
Motor vehicles	18,744	28,436
	<u>118,537</u>	<u>138,244</u>

# Notes to the financial statements

For the financial year ended 30 April 2022

## 15. Tangible fixed assets (continued)

### Company

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	CIP £	Total £
<b>Cost or valuation</b>					
At 1 May 2021	901,962	71,200	186,893	293,699	1,453,754
Additions	109,713	-	20,910	516,650	647,273
Disposals	(41,582)	(27,000)	-	(27,846)	(96,428)
Transfers between classes	45,322	-	-	(45,322)	-
At 30 April 2022	<u>1,015,415</u>	<u>44,200</u>	<u>207,803</u>	<u>737,181</u>	<u>2,004,599</u>
<b>Depreciation</b>					
At 1 May 2021	430,971	35,561	107,686	-	574,218
Charge for the financial year	105,596	7,342	21,659	-	134,597
Disposals	(32,619)	(23,043)	-	-	(55,662)
At 30 April 2022	<u>503,948</u>	<u>19,860</u>	<u>129,345</u>	<u>-</u>	<u>653,153</u>
<b>Net book value</b>					
At 30 April 2022	<u>511,467</u>	<u>24,340</u>	<u>78,458</u>	<u>737,181</u>	<u>1,351,446</u>
At 30 April 2021	<u>470,991</u>	<u>35,639</u>	<u>79,207</u>	<u>293,699</u>	<u>879,536</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	99,793	109,808
Motor vehicles	18,744	28,436
	<u>118,537</u>	<u>138,244</u>



## Notes to the financial statements

For the financial year ended 30 April 2022

### 16. Fixed asset investments

#### Company

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 May 2021	91
At 30 April 2022	91
<b>Net book value</b>	
At 30 April 2022	91
At 30 April 2021	91

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Bloc Blinds EU B.V.	The Netherlands	Distribution	Ordinary	100%
Bloc Blinds Inc.	United States of America	Distribution	Ordinary	100%

## Notes to the financial statements

For the financial year ended 30 April 2022

### 17. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Raw materials and consumables	2,075,164	776,268	2,075,164	776,268
Finished goods and goods for resale	1,246,404	754,914	1,246,404	754,914
	<u>3,321,568</u>	<u>1,531,182</u>	<u>3,321,568</u>	<u>1,531,182</u>

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

Stocks are stated after provision for impairment of £29,596 (2021: £15,959).

### 18. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>Due after more than one year</b>				
Amounts owed to associated company	<u>613,103</u>	<u>-</u>	<u>613,103</u>	<u>-</u>
<b>Due within one year</b>				
Trade debtors	1,252,759	2,865,859	1,161,141	2,849,037
Amounts owed by associated companies	605,869	-	860,331	23,075
Amounts owed by related parties	212,681	-	209,181	-
Other debtors	1,756,731	1,710,336	1,734,780	1,649,858
Prepayments and accrued income	78,699	43,411	70,897	36,786
	<u>3,906,739</u>	<u>4,619,606</u>	<u>4,036,330</u>	<u>4,558,756</u>

### 19. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	3,744,294	22,429,943	3,598,509	22,428,641
Less: bank overdrafts	-	(250,763)	-	(250,763)
	<u>3,744,294</u>	<u>22,179,180</u>	<u>3,598,509</u>	<u>22,177,878</u>

# Notes to the financial statements

For the financial year ended 30 April 2022

## 20. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	-	250,763	-	250,763
Bank loans	174,000	174,000	174,000	174,000
Trade creditors	1,941,936	2,658,120	1,736,968	2,624,519
Amounts owed to associated companies	839,748	12,336,295	839,748	12,336,295
Other taxation and social security	93,563	855,735	93,563	855,735
Obligations under finance lease and hire purchase contracts	33,498	37,661	33,498	37,661
Other creditors	93,527	93,267	93,527	92,837
Accruals and deferred income	242,663	690,920	215,891	682,024
	<u>3,418,935</u>	<u>17,096,761</u>	<u>3,187,195</u>	<u>17,053,834</u>

Details of security held over the bank loans, overdrafts and other creditors are disclosed at Note 21.

## 21. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	492,505	650,652	492,505	650,652
Net obligations under finance leases and hire purchase contracts	58,320	91,346	58,320	91,346
	<u>550,825</u>	<u>741,998</u>	<u>550,825</u>	<u>741,998</u>

AIB (NI) holds the following security over bank loans and overdrafts:

- A first ranking debenture incorporating a fixed and floating charge over all assets of the company;
- A first legal mortgage over NI Water Depot, 26B, 28B and 28C Station Road Magherafelt;

Amounts owed to group undertakings and related parties are unsecured, interest free and repayable on demand.

Assets acquired under finance leases and hire purchase contracts are secured on the assets to which they relate.

## Notes to the financial statements

For the financial year ended 30 April 2022

### 22. Loans

Analysis of the maturity of loans is given below:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
<b>Amounts falling due within one year</b>				
Bank loans	174,000	174,000	174,000	174,000
<b>Amounts falling due 1-2 years</b>				
Bank loans	174,000	174,000	174,000	174,000
<b>Amounts falling due 2-5 years</b>				
Bank loans	318,505	476,652	318,505	476,652
	<u>666,505</u>	<u>824,652</u>	<u>666,505</u>	<u>824,652</u>

### 23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Within one year	33,498	37,661	33,498	37,661
Between 1-5 years	58,320	91,346	58,320	91,346
	<u>91,818</u>	<u>129,007</u>	<u>91,818</u>	<u>129,007</u>

### 24. Deferred taxation

#### Group

	2022 £	2021 £
At beginning of year	(156,367)	(93,841)
Charged to profit or loss	(85,420)	(62,526)
At end of year	<u>(241,787)</u>	<u>(156,367)</u>

## Notes to the financial statements

For the financial year ended 30 April 2022

### 24. Deferred taxation (continued)

#### Company

	2022 £	2021 £
At beginning of year	(156,367)	(93,841)
Charged to profit or loss	(85,420)	(62,526)
At end of year	<u>(241,787)</u>	<u>(156,367)</u>

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Accelerated capital allowances	<u>(241,787)</u>	<u>(156,367)</u>	<u>(241,787)</u>	<u>(156,367)</u>

### 25. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
4,500 (2021 - 4,500) Ordinary A shares of £0.01 each	45	45
4,500 (2021 - 4,500) Ordinary B shares of £0.01 each	45	45
552 (2021 - Nil) Ordinary C shares of £0.01 each	6	-
	<u>96</u>	<u>90</u>

During the period, 552 Ordinary C Shares were allotted with a nominal value of £0.01 each. These shares were from the 552 exercised shares options during the year which were subsequently sold by the employees to Bloc Global Limited.

### 26. Reserves

#### Other reserves

Other reserves represent the value of the share options.

#### Profit and loss account

Profit and loss account includes all current and prior period retained profits and losses.

# Notes to the financial statements

For the financial year ended 30 April 2022

## 27. Share based payments

Certain employees participate in the key-employee share option scheme which provides additional remuneration for those employees who are key to the operations of the group. The options are granted with an exercise price equalling the nominal value of the shares, are exercisable over four years after the grant date and expire ten years after the grant date. Employees are not entitled to dividends until the shares are exercised. Vesting of the options is subject to the continued employment with the group and meeting agreed performance targets, therefore the cost associated with the service is recognised over the vesting period. All of the share options were exercised during the period.

	Weighted average exercise price (pence) 2022	Number 2022	Weighted average exercise price (pence) 2021	Number 2021
Outstanding at the beginning of the year	1	1,920	1	1,920
Exercised during the year	-	(1,920)	-	-
Outstanding at the end of the year	-	-	-	1,920

	2022 £	2021 £
Equity-settled schemes	2,013	-
	2,013	-

## 28. Pension commitments

The group operates a defined contribution scheme. At the year end, included in the financial statements, there was £28,824 (2021: £22,890) outstanding.

## 29. Commitments under operating leases

At 30 April 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	430,588	-	291,950	-
Later than 1 year and not later than 5 years	1,430,401	-	875,849	-
Later than 5 years	566,105	-	-	-
	2,427,094	-	1,167,799	-

## Notes to the financial statements

For the financial year ended 30 April 2022

### **30. Related party transactions**

The group has availed of the exemptions in FRS 102 Section 33, Paragraph 33.1A which allows non-disclosure of transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The group also has related parties by virtue of their common directors. The transactions to these companies totalled £209K and included in the amounts owed by related parties at the balance sheet date.

The only key management remunerated through the Group were the directors.

### **31. Controlling party**

The directors consider the ultimate parent undertaking of this company is its parent company, Bloc Global Limited, a company incorporated in Isle of Man. The ultimate controlling parties of Bloc Global Limited are the shareholders.

### **32. Comparative figures**

Some comparative figures have been changed for presentation purposes only. The changes have had no effect on the profit or loss.