

# C & T Matrix Limited

## Annual Report and Financial Statements

### For the year ended 31 March 2021



Company Registration No. 02981704 (England and Wales)

# C & T Matrix Limited

## Company Information

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<b>Directors</b>	N M Ball F J Rahmatallah S M Shenton
<b>Secretary</b>	N M Ball
<b>Company number</b>	02981704
<b>Registered office</b>	Room 1.1 London Heliport Bridges Court Road London SW11 3BE
<b>Auditor</b>	Moore Kingston Smith LLP The Shipping Building The Old Vinyl Factory Blyth Road Hayes London UB3 1HA

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# C & T Matrix Limited

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# C & T Matrix Limited

## Strategic Report

For the year ended 31 March 2021

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The Directors present their Strategic report for the year ended 31 March 2021. The Directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

### Review of the business

C&T manufactures creasing matrix, a consumable product used in the manufacture of cardboard boxes to facilitate accurate high-quality creasing prior to folding.

Despite the recessionary conditions of covid-19, which impacted the first half of the financial year, annual sales were slightly ahead of the prior year. However administrative expenses were markedly higher owing to restructuring costs in an overseas operation. The loss for the financial year was £(1,230,138) (FY2020: £(633,275)).

### Objectives, Strategy and Future Development

C&T's strategy is to continue to focus on technical sales service, further broadening of its product range and forward integration in key territories.

### Key performance indicators

The Company's key financial performance indicator is that of operating performance. In the year ended 31 March 2021, operating loss was £(1,261,934), compared to £(684,098) in the prior year.

### Principal Risks and Uncertainties

The principal risks that C&T faces are:

- General economic environment – over the year, the Company has been exposed to high inflationary pressures on both raw materials and resale items. Management has mitigated this risk by (i) ensuring that we try and pass through price rises on all products; and (ii) bulk buying where necessary.
- Bad debt risk - there is a risk that the Company is exposed to bad debts as it sells its products to a wide range of UK and international customers. Historically the level of bad debts has been very low and to mitigate the risk, management review and monitor closely its credit control approach and performance.

### Covid-19

The covid-19 outbreak towards the end of FY2020 & during FY2021 is a critical global problem and has resulted in a public health and an economic crisis. Results for the year have been adversely affected, especially during the early stages of the financial year.

Our operations have had to get used to a "distanced and deep cleaned" operating environment, whilst office-based functions have included working from home and using videoconferencing. All operations have stayed open and producing – no customers have been let down and we have also continued to pay staff fully even though some have been off work due to self-isolation, sickness or shielding.

Financially, we have taken, numerous steps to manage our cash flow tightly, including use of government support such as the deferral of liabilities and use of the Coronavirus Job Retention Scheme. We regularly reforecast to help us anticipate how the evolution of the crisis is likely to affect future cash flows.

## C & T Matrix Limited

### Strategic Report (Continued)

For the year ended 31 March 2021

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#### **Future Developments**

C&T's future growth will come from continual improvement of its technical sales service, further broadening of its product range and forward integration in key territories.

On behalf of the board



.....  
N M Ball

**Director**

17-12-2021  
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# C & T Matrix Limited

## Directors' Report

For the year ended 31 March 2021

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The directors present their annual report and financial statements for the year ended 31 March 2021.

### Principal activities

The principal activity of the company continued to be that of producing and distributing products for the printing and packaging industries.

### Directors

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

N M Ball  
F J Rahmatallah  
S M Shenton

### Results and dividends

The results for the year are set out on page 9.

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

### Auditor

In accordance with the company's articles, a resolution proposing that Moore Kingston Smith LLP be reappointed as auditor of the company will be put at a General Meeting.

### Statement of disclosure to auditor

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

On behalf of the board



N M Ball

Director

Date: 17-12-2021.....

## C & T Matrix Limited

### Directors' Responsibilities Statement

For the year ended 31 March 2021

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

# C & T Matrix Limited

## Independent Auditor's Report

To the Members of C & T Matrix Limited

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### Opinion

We have audited the financial statements of C & T Matrix Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### Basis for opinion

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

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.



# C & T Matrix Limited

## Independent Auditor's Report (Continued)

### To the Members of C & T Matrix Limited

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

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

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

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

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

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

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

#### **Responsibilities of directors**

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

## C & T Matrix Limited

### Independent Auditor's Report (Continued)

#### To the Members of C & T Matrix Limited

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the company.

## C & T Matrix Limited

### Independent Auditor's Report (Continued)

#### To the Members of C & T Matrix Limited

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Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

#### Use of our report

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

*Moore Kingston Smith LLP*

**Jeremy Read (Senior Statutory Auditor)**  
for and on behalf of Moore Kingston Smith LLP

17/12/2021

**Chartered Accountants**  
**Statutory Auditor**

The Shipping Building  
The Old Vinyl Factory  
Blyth Road  
Hayes  
London  
UB3 1HA

# C & T Matrix Limited

## Statement of Comprehensive Income

For the year ended 31 March 2021

	Notes	2021 £	2020 £
<b>Turnover</b>	<b>3</b>	5,363,602	5,333,631
<b>Cost of sales</b>		(3,609,969)	(3,480,901)
<b>Gross profit</b>		1,753,633	1,852,730
Distribution costs		(130,353)	(86,177)
Administrative expenses		(2,933,428)	(2,450,651)
Other operating income	<b>3</b>	48,214	-
<b>Operating loss</b>	<b>4</b>	(1,261,934)	(684,098)
Interest payable and similar expenses	<b>8</b>	(106,868)	(89,934)
<b>Loss before taxation</b>		(1,368,802)	(774,032)
Taxation	<b>9</b>	138,664	140,757
<b>Loss for the financial year</b>		(1,230,138)	(633,275)

The above results relate to continuing operations.

# C & T Matrix Limited

## Balance Sheet

As at 31 March 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10		791,774		848,350
<b>Current assets</b>					
Stock	11	857,261		1,366,945	
Debtors	12	2,319,404		3,132,738	
Cash at bank and in hand		580,995		499,754	
		3,757,660		4,999,437	
<b>Creditors: amounts falling due within one year</b>	13	(4,658,494)		(4,730,077)	
<b>Net current (liabilities)/assets</b>			(900,834)		269,360
<b>Total assets less current liabilities</b>			(109,060)		1,117,710
<b>Deferred tax asset</b>	14		7,518		10,886
<b>Net (liabilities)/assets</b>			(101,542)		1,128,596
<b>Capital and reserves</b>					
Called up share capital	17	193,421		193,421	
Share premium account		762,500		762,500	
Capital redemption reserve		569,079		569,079	
Profit and loss reserves		(1,626,542)		(396,404)	
<b>Total equity</b>			(101,542)		1,128,596

The financial statements were approved by the board of directors and authorised for issue on 17-12-2021 and are signed on its behalf by:



N M Ball  
Director

Company Registration No. 02981704

## C & T Matrix Limited

### Statement of Changes in Equity For the year ended 31 March 2021

	Share capital £	Share premium account £	Capital redemption reserve £	Profit and loss reserves £	Total £
<b>Balance at 1 April 2019</b>	193,421	762,500	569,079	236,871	1,761,871
<b>Year ended 31 March 2020:</b>					
Loss and total comprehensive income for the year	-	-	-	(633,275)	(633,275)
<b>Balance at 31 March 2020</b>	193,421	762,500	569,079	(396,404)	1,128,596
<b>Year ended 31 March 2021:</b>					
Loss and total comprehensive income for the year	-	-	-	(1,230,138)	(1,230,138)
<b>Balance at 31 March 2021</b>	193,421	762,500	569,079	(1,626,542)	(101,542)

# C & T Matrix Limited

## Notes to the Financial Statements

For the year ended 31 March 2021

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### 1 Accounting policies

#### Company information

C & T Matrix Limited is a private company limited by shares incorporated in England and Wales. The registered office is Room 1.1, London Heliport, Bridges Court Road, London, United Kingdom, SW11 3BE.

#### 1.1 Accounting convention

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

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

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

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

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment' – Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Synnovia Limited. These consolidated financial statements are available from its registered office, Room 1.1, London Heliport, Bridges Court Road, London, SW11 3BE.

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

#### 1.2 Going concern

The company made a loss for the year of £1,230,138 (2020: £633,275) and as at the balance sheet date had net liabilities of £101,542 (2020: net assets of £1,128,596).

The company is an obligor to a group bank facility agreement and is ultimately financed by the group's facility as part of Synnovia Limited group of companies. The group meets its funding requirements through a group wide term loan, overdraft facility, asset based finance facility, export finance facility and invoice discounting facility.

The company has considered the impact of the Covid-19 pandemic and the measures taken which has adversely impacted revenue and profitability during the period. The company has mitigated this impact by using available government support such as the Coronavirus Job Retention Scheme, and by containing costs. The company has traded positively since the year-end at an EBITDA level and has access to sufficient cash reserves.

The directors have produced forecasts for the group as a whole (this includes the ultimate parent undertaking BPF1 Limited and the Synnovia Limited group of companies including C&T Matrix Limited) which consider the expected impact of the Covid-19 pandemic and take into account the banking facility. As a result, they have a reasonable expectation that the group and hence the company has adequate resources to continue in operational existence for at least 12 months from the date of approval of the financial statements. BFP1 Limited has confirmed its ongoing support to the Synnovia Limited group of companies including C&T Matrix Limited. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Turnover

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

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

#### 1.4 Research and development expenditure

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

#### 1.5 Tangible fixed assets

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

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

Plant and equipment	10% per annum
Fixtures and fittings	10% per annum



# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

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

#### 1.6 Impairment of fixed assets

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

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

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

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

#### 1.7 Stock

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

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

#### 1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

#### 1.9 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

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

##### **Other financial assets**

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

##### **Impairment of financial assets**

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

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

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

##### **Derecognition of financial assets**

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

##### **Classification of financial liabilities**

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

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### **Other financial liabilities**

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

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

#### **Derecognition of financial liabilities**

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

#### **1.10 Equity instruments**

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

#### **1.11 Taxation**

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

##### **Current tax**

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

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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### 1 Accounting policies

(Continued)

#### **Deferred tax**

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

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

#### **1.12 Employee benefits**

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

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

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

#### **1.13 Retirement benefits**

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

#### **1.14 Leases**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

#### **1.15 Government grants**

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

Government grants are recognised as income over the periods when the related costs are incurred.

#### **1.16 Foreign exchange**

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

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 2 Judgements and key sources of estimation uncertainty

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

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

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Stock provision

The company designs, manufactures and sells creasing matrix and suppliers of die-making products and is subject to changing consumer demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provision required. When calculating the stock provision, management considers the nature and condition of stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

#### Provision against intercompany receivables

The company has various receivables from fellow group undertakings. The directors consider indicators of potential non recoverability where the counterparty is making losses and/ or has a deficit on net assets, particularly since the start of the COVID 19 pandemic. The directors have assessed that there is a higher risk of irrecoverability with one of the group's Chinese subsidiaries and have made a partial provision against amounts owed by that company as a result.

### 3 Turnover and other revenue

	2021	2020
	£	£
<b>Turnover analysed by class of business</b>		
Sale of goods	5,363,602	5,333,631
	<u>          </u>	<u>          </u>
	2021	2020
	£	£
<b>Other significant revenue</b>		
Government grants received	48,214	-
	<u>          </u>	<u>          </u>

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 3 Turnover and other revenue (Continued)

	2021 £	2020 £
<b>Turnover analysed by geographical market</b>		
UK	1,076,373	1,078,510
Overseas	4,287,229	4,255,121
	<u>5,363,602</u>	<u>5,333,631</u>

### 4 Operating loss

	2021 £	2020 £
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	32,119	1,720
Research and development costs	-	797
Government grants	(48,214)	-
Fees payable to the company's auditor for the audit of the company's financial statements	17,000	20,000
Depreciation of owned tangible fixed assets	199,638	183,150
Cost of stock recognised as an expense	2,200,498	2,080,542
Operating lease charges	160,058	165,916
	<u>2,609,123</u>	<u>2,451,225</u>

### 5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	<u>17,000</u>	<u>20,000</u>

### 6 Employees

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

	2021 Number	2020 Number
Managerial & administration	8	3
Sales and design	5	3
Production staff	39	45
	<u>52</u>	<u>51</u>

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 6 Employees (Continued)

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	1,432,143	1,353,172
Social security costs	134,686	126,213
Pension costs	64,168	63,978
	<u>1,630,997</u>	<u>1,543,363</u>

### 7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	<u>162,590</u>	<u>209,031</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

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

	2021 £	2020 £
Remuneration for qualifying services	139,158	151,488
Company pension contributions to defined contribution schemes	17,696	10,192
	<u>156,854</u>	<u>161,680</u>

The remuneration of all Directors are borne by the immediate parent company, Synnovia Limited. The aggregate remuneration is an apportionment of their costs.

### 8 Interest payable and similar expenses

	2021 £	2020 £
Interest payable to group undertakings	<u>106,868</u>	<u>89,934</u>

### 9 Taxation

	2021 £	2020 £
<b>Current tax</b>		
UK corporation tax on profits for the current period	<u>(142,032)</u>	<u>(125,464)</u>

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

9 Taxation	(Continued)	
<b>Deferred tax</b>		
Origination and reversal of timing differences	3,368	(15,293)
	<u>          </u>	<u>          </u>
Total tax credit	(138,664)	(140,757)
	<u>          </u>	<u>          </u>
The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:		
	2021 £	2020 £
Loss before taxation	(1,368,802)	(774,032)
	<u>          </u>	<u>          </u>
<i>Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)</i>	(260,072)	(147,066)
Tax effect of expenses that are not deductible in determining taxable profit	115,079	5,093
Adjustments in respect of prior years	2,440	(400)
Effect of change in corporation tax rate	-	(922)
Permanent capital allowances in excess of depreciation	1,913	1,512
Research and development tax credit	1,976	1,026
	<u>          </u>	<u>          </u>
Taxation credit for the year	(138,664)	(140,757)
	<u>          </u>	<u>          </u>



# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 10 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
<b>Cost</b>			
At 1 April 2020	3,641,904	825,022	4,466,926
Additions	83,305	59,757	143,062
Disposals	(1,155,206)	(372,748)	(1,527,954)
At 31 March 2021	2,570,003	512,031	3,082,034
<b>Depreciation and impairment</b>			
At 1 April 2020	2,890,591	727,985	3,618,576
Depreciation charged in the year	154,919	44,719	199,638
Eliminated in respect of disposals	(1,155,206)	(372,748)	(1,527,954)
At 31 March 2021	1,890,304	399,956	2,290,260
<b>Carrying amount</b>			
At 31 March 2021	679,699	112,075	791,774
At 31 March 2020	751,312	97,038	848,350

### 11 Stock

	2021 £	2020 £
Raw materials and consumables	355,129	511,334
Work in progress	62,613	83,041
Finished goods and goods for resale	439,519	772,570
	857,261	1,366,945

### 12 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	1,106,124	1,094,416
Corporation tax recoverable	267,497	125,465
Amounts due from group undertakings	834,477	1,691,856
Other debtors	48,863	76,601
Prepayments and accrued income	62,443	144,400
	2,319,404	3,132,738

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 13 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	688,533	735,104
Amounts due to group undertakings	3,710,649	3,823,653
Other taxation and social security	92,910	30,399
Other creditors	16,022	3,422
Accruals and deferred income	150,380	137,499
	<u>4,658,494</u>	<u>4,730,077</u>

### 14 Deferred tax asset

	Notes	2021 £	2020 £
Deferred tax assets	15	<u>7,518</u>	<u>10,886</u>

### 15 Deferred taxation

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

	Liabilities 2021 £	Liabilities 2020 £
<b>Balances:</b>		
Accelerated capital allowances	13,223	4,013
Short term temporary differences	(20,741)	(14,899)
	<u>(7,518)</u>	<u>(10,886)</u>
<b>Movements in the year:</b>		2021 £
(Asset) at 1 April 2020		(10,886)
Charge to profit or loss		3,368
(Asset) at 31 March 2021		<u>(7,518)</u>

# C & T Matrix Limited

## Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

### 16 Retirement benefit schemes

	2021 £	2020 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	64,168	63,978

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund. At the year end the outstanding liability was £nil (2020: £nil).

### 17 Share capital

	2021 £	2020 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
294,000 Ordinary shares of 50p each	147,000	147,000
92,842 Preferred shares of 50p each	46,421	46,421
	193,421	193,421

### 18 Operating lease commitments

#### Lessee

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

	2021 £	2020 £
Within one year	161,972	165,916
Between two and five years	71,597	226,667
	233,569	392,583

### 19 Related party transactions

#### Transactions with Group Companies

The company has taken advantage of the exemption available under FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertakings of the group.

## C & T Matrix Limited

### Notes to the Financial Statements (Continued)

For the year ended 31 March 2021

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#### **20 Controlling party**

The Company's immediate parent company is Plastics Capital Trading Limited, a company registered in England and Wales and controlled by Synnovia Limited. The ultimate parent company of the group is BPF1 Limited, a company incorporated in England and Wales.

The groups in which the results of the Company are consolidated are those headed by Synnovia Limited and BPF1 Limited. The consolidated financial statements of these companies are available from Crown Way, Cardiff CR14 3UZ.

#### **21 Contingent liability**

The parent company Synnovia plc has given a charge over its assets in favour of Barclays Bank. The amount of loans outstanding at the year end was £7,890,245 (2020: £16,012,000).