

**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022
FOR
BLUEPRINT DESIGN ENGINEERING LIMITED**

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FOR THE YEAR ENDED 30 SEPTEMBER 2022**

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BLUEPRINT DESIGN ENGINEERING LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

DIRECTORS:	Mr J R Barratt Mr R P Sharphouse
SECRETARY:	Mr J R Barratt
REGISTERED OFFICE:	The Clock Tower Business Centre Low Wood Ulverston Cumbria LA12 8LY
REGISTERED NUMBER:	05881532 (England and Wales)
AUDITORS:	Melville & Co 17/18 Trinity Enterprise Centre Furness Business Park Ironworks Road Barrow in Rurness Cumbria LA14 2PN
BANKERS:	National Westminster Bank plc 113 Dalton Road Barrow in Furness Cumbria LA14 1WY

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The directors present their strategic report for the year ended 30 September 2022.

REVIEW OF BUSINESS

As with previous years, the principal activity of the company is that of design, manufacture and sales of subsea acoustic sensors and navigation equipment. The market for these products is split into the commercial sectors of underwater survey & exploration and the governmental sectors of Military and Search and Rescue. The company's products are marketed and sold internationally, both directly and through an extensive group of distributors and partners.

During the year ended 30 September 2022 the company continued a trend of steady growth. This was due in part to the continued growth in sales of the company's acoustic imaging and positioning products and also some larger military supply contracts for its diver navigation products.

The company continues to work with numerous partners to develop new projects and systems enhancing the company's future abilities.

The company continues to further its product portfolio and its markets by the ever-present research and development of new systems and accessories to current products.

KEY PERFORMANCE INDICATORS

Gross Turnover grew from £13.9m (21) to £16.2m (22) a 16.5% increase.

Gross Profit has fallen from £9.12m (21) to £8.84m (22) a 3.2% decrease.

Gross Profit percentage has fallen from 65.67% (21) to 54.50% (22)

Net Profit has decreased from £5.73m (21) to £5.59m (22)

Number of employees grew towards the end of the financial year from 32 (21) 36 (22) a 12.5% increase.

PRINCIPAL RISKS AND UNCERTAINTIES

Covid 19

Whilst the company has never been significantly affected by the pandemic, the general knock-on risks associated with supply chain are still evident with some hard to source components and artificially high supply costs. The company has been mitigating disruptions with significant forward planning, agility and increased stock levels.

Exposure to Foreign Economies

The company operates internationally but manages to mitigate the risk of exposure to foreign exchange rates by using GP Pound Sterling as its functional currency. Whilst a small percentage of the supply chain does expose the company to both EUROS and USDs this is mitigated by an almost bi-lateral amount of invoicing and the holding of bank accounts in those currencies.

Global Economic Climate

The global economic climate continues to pose an ever-present risk to the company. The company diversifies its sales across multiple market sectors and international user groups in order to manage the risk as much as possible.

Competitive Pressure

Whilst competitive pressure is constantly a risk for the company, it minimizes this risk by operating in extremely niche markets whilst constantly updating its products, keeping them as technologically advanced as possible. The company's wide spread of market sectors and the agility of its design department also minimises risk of competition.

**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

FUTURE DEVELOPMENTS

The company continues to seek opportunities by forming strong alliances with partner companies in similar sectors, designing new and refreshed products and by diversification into new markets. Turnover is expected to increase by at least the current percentage with the pending award of tendered contracts and the release of new products.

ON BEHALF OF THE BOARD:

Mr J R Barratt - Secretary

28 September 2023

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

The directors present their report with the financial statements of the company for the year ended 30 September 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of electromechanical design and manufacturing consultancy.

DIVIDENDS

The total distribution of dividends for the year ended 30 September 2022 will be £ 4,000,000 .

DIRECTORS

The directors shown below have held office during the whole of the period from 1 October 2021 to the date of this report.

Mr J R Barratt

Mr R P Sharphouse

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Mr J R Barratt - Secretary

28 September 2023

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLUEPRINT DESIGN ENGINEERING LIMITED

Qualified opinion

We have audited the financial statements of Blueprint Design Engineering Limited (the 'company') for the year ended 30 September 2022 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, 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, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for qualified opinion

The company did not require an audit for the comparative year. We were, therefore, not appointed until after 30 September 2021 and thus did not observe the counting of physical stock at the end of the year. We were unable to satisfy ourselves by alternative means concerning the stock quantities held at 30 September 2021, which were included in the comparative balance sheet at £1,240,000, by using other audit procedures. Since opening stock affects the determination of the results of operations, we were unable to determine whether adjustments to the results of operations and opening retained earnings might be necessary for 2022. Our opinion on the current period's financial statements is therefore modified because of the possible effect off this matter on the comparability of the current period's figures and the corresponding figures.

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.

Our approach to the audit

Except for the matter described in the basis for qualified opinion section, we have determined that there are no key audit matters to be communicated in our report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLUEPRINT DESIGN ENGINEERING LIMITED

Other information

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

As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the stock quantities of £1,240,000 held at 30 September 2021 and, therefore, of the retained profit at that date which may, therefore, be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, 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 respect solely of the limitation on our work relating to stock, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

Arising solely from the limitation on the scope of our work relating to the comparative period's stock, referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purposes of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

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:

- 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.

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF BLUEPRINT DESIGN ENGINEERING LIMITED

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, 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 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.

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

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

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.

- Enquiry of management, and those charged with governance around actual and potential litigation and claims.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
BLUEPRINT DESIGN ENGINEERING LIMITED**

Use of our report

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

Simon Oram MA FCCA (Senior Statutory Auditor)
for and on behalf of Melville & Co
17/18 Trinity Enterprise Centre
Furness Business Park
Ironworks Road
Barrow in Furness
Cumbria
LA14 2PN

29 September 2023

**INCOME STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

		30.9.22		30.9.21 as restated	
	Notes	£	£	£	£
TURNOVER	3		16,230,020		13,883,126
Cost of sales			<u>7,385,406</u>		<u>4,766,052</u>
GROSS PROFIT			8,844,614		9,117,074
Distribution costs		792		1,647	
Administrative expenses		<u>2,121,800</u>		<u>2,359,646</u>	
			<u>2,122,592</u>		<u>2,361,293</u>
			6,722,022		6,755,781
Other operating income	4		<u>-</u>		<u>1,000</u>
OPERATING PROFIT	6		6,722,022		6,756,781
Income from fixed asset investments	8	6,245		27,882	
Interest receivable and similar income	9	<u>1,994</u>		<u>2</u>	
			<u>8,239</u>		<u>27,884</u>
			6,730,261		6,784,665
Interest payable and similar expenses	10		<u>80</u>		<u>-</u>
PROFIT BEFORE TAXATION			6,730,181		6,784,665
Tax on profit	11		<u>1,145,171</u>		<u>1,050,712</u>
PROFIT FOR THE FINANCIAL YEAR			<u>5,585,010</u>		<u>5,733,953</u>

The notes form part of these financial statements

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	30.9.22	30.9.21 as restated
Notes	£	£
PROFIT FOR THE YEAR	5,585,010	5,733,953
OTHER COMPREHENSIVE INCOME		
Purchase of own shares	-	(419,990)
Income tax relating to other comprehensive income	-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	-	(419,990)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,313,963</u>
Prior year adjustment	Note 13	
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT	<u>346,546</u>	
	<u>5,931,556</u>	

BLUEPRINT DESIGN ENGINEERING LIMITED (REGISTERED NUMBER: 05881532)

**BALANCE SHEET
30 SEPTEMBER 2022**

		30.9.22		30.9.21 as restated
	Notes	£	£	£
FIXED ASSETS				
Tangible assets	14		92,569	101,041
Investments	15		<u>30,945</u>	<u>30,945</u>
			123,514	131,986
CURRENT ASSETS				
Stocks	16	3,500,000		1,240,000
Debtors	17	2,551,639		3,080,304
Cash at bank and in hand		<u>4,059,478</u>		<u>2,972,126</u>
		10,111,117		7,292,430
CREDITORS				
Amounts falling due within one year	18	<u>3,358,443</u>		<u>2,133,238</u>
NET CURRENT ASSETS			<u>6,752,674</u>	<u>5,159,192</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,876,188</u>	<u>5,291,178</u>
CAPITAL AND RESERVES				
Called up share capital	19		92	92
Share premium	20		19,990	19,990
Retained earnings	20		<u>6,856,106</u>	<u>5,271,096</u>
SHAREHOLDERS' FUNDS			<u>6,876,188</u>	<u>5,291,178</u>

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

Mr J R Barratt - Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 October 2020	100	3,994,075	19,990	4,014,165
Changes in equity				
Issue of share capital	(8)	-	-	(8)
Dividends	-	(4,036,942)	-	(4,036,942)
Total comprehensive income	-	4,967,417	-	4,967,417
Balance at 30 September 2021	92	4,924,550	19,990	4,944,632
Prior year adjustment	-	346,546	-	346,546
As restated	92	5,271,096	19,990	5,291,178
Changes in equity				
Dividends	-	(4,000,000)	-	(4,000,000)
Total comprehensive income	-	5,585,010	-	5,585,010
Balance at 30 September 2022	92	6,856,106	19,990	6,876,188

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Notes	30.9.22 £	30.9.21 as restated £
Cash flows from operating activities			
Cash generated from operations	1	6,077,580	4,744,089
Interest paid		(80)	-
Tax paid		(969,424)	(22,007)
Net cash from operating activities		<u>5,108,076</u>	<u>4,722,082</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(28,963)	(22,362)
Sale of tangible fixed assets		-	17,416
Interest received		1,994	2
Dividends received		6,245	27,882
Grants received		-	1,000
Net cash from investing activities		<u>(20,724)</u>	<u>23,938</u>
Cash flows from financing activities			
Amount withdrawn by directors		-	(2)
Share issue		-	(8)
Share buyback		-	(419,990)
Equity dividends paid		(4,000,000)	(4,036,942)
Net cash from financing activities		<u>(4,000,000)</u>	<u>(4,456,942)</u>
Increase in cash and cash equivalents		<u>1,087,352</u>	<u>289,078</u>
Cash and cash equivalents at beginning of year	2	2,972,126	2,683,048
Cash and cash equivalents at end of year	2	<u>4,059,478</u>	<u>2,972,126</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	30.9.22	30.9.21 as restated
	£	£
Profit before taxation	6,730,181	6,784,665
Depreciation charges	37,435	40,185
Profit on disposal of fixed assets	-	(3,483)
Government grants	-	(1,000)
Finance costs	80	-
Finance income	(8,239)	(27,884)
	<u>6,759,457</u>	<u>6,792,483</u>
Increase in stocks	(2,260,000)	(1,150,000)
Decrease/(increase) in trade and other debtors	528,665	(721,104)
Increase/(decrease) in trade and other creditors	<u>1,049,458</u>	<u>(177,290)</u>
Cash generated from operations	<u><u>6,077,580</u></u>	<u><u>4,744,089</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 September 2022

	30.9.22	1.10.21
	£	£
Cash and cash equivalents	<u>4,059,478</u>	<u>2,972,126</u>

Year ended 30 September 2021

	30.9.21	1.10.20
	as restated	
	£	£
Cash and cash equivalents	<u>2,972,126</u>	<u>2,683,048</u>

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.10.21	Cash flow	At 30.9.22
	£	£	£
Net cash			
Cash at bank and in hand	<u>2,972,126</u>	<u>1,087,352</u>	<u>4,059,478</u>
	<u>2,972,126</u>	<u>1,087,352</u>	<u>4,059,478</u>
Total	<u><u>2,972,126</u></u>	<u><u>1,087,352</u></u>	<u><u>4,059,478</u></u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

1. STATUTORY INFORMATION

Blueprint Design Engineering Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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 trade discounts.

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.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- 10% on cost
Plant and machinery	- 20% on cost
Fixtures and fittings	- 20% on cost
Computer equipment	- 20% on cost

Stocks

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

Financial instruments

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

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

Taxation

Taxation for the year comprises current. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Research and development

Expenditure on research and development is written off in the year in which it is incurred.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

2. ACCOUNTING POLICIES - continued

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Going concern

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

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

4. OTHER OPERATING INCOME

	30.9.22	30.9.21 as restated
	£	£
Grants	<u>-</u>	<u>1,000</u>

5. EMPLOYEES AND DIRECTORS

	30.9.22	30.9.21 as restated
	£	£
Wages and salaries	1,284,068	1,146,247
Social security costs	141,391	117,579
Other pension costs	<u>31,219</u>	<u>37,655</u>
	<u>1,456,678</u>	<u>1,301,481</u>

The average number of employees during the year was as follows:

	30.9.22	30.9.21 as restated
Marketing, sales and trading	25	25
Research and development	<u>8</u>	<u>8</u>
	<u>33</u>	<u>33</u>

	30.9.22	30.9.21 as restated
	£	£
Directors' remuneration	200,000	200,000
Directors' pension contributions to money purchase schemes	<u>12,000</u>	<u>12,000</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>2</u>	<u>2</u>
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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

5. EMPLOYEES AND DIRECTORS - continued

Information regarding the highest paid director is as follows:

	30.9.22	30.9.21 as restated
	£	£
Emoluments etc	100,000	100,000
Pension contributions to money purchase schemes	<u>6,000</u>	<u>6,000</u>

6. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	30.9.22	30.9.21 as restated
	£	£
Depreciation - owned assets	37,435	40,185
Profit on disposal of fixed assets	-	(3,483)
Foreign exchange differences	<u>(12,110)</u>	<u>-</u>

7. AUDITORS' REMUNERATION

	30.9.22	30.9.21 as restated
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>4,180</u>	<u>-</u>

8. INCOME FROM FIXED ASSET INVESTMENTS

	30.9.22	30.9.21 as restated
	£	£
Franked investment income	<u>6,245</u>	<u>27,882</u>

9. INTEREST RECEIVABLE AND SIMILAR INCOME

	30.9.22	30.9.21 as restated
	£	£
Interest received	<u>1,994</u>	<u>2</u>

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.9.22	30.9.21 as restated
	£	£
Interest payable	<u>80</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

11. TAXATION**Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	30.9.22	30.9.21 as restated
	£	£
Current tax:		
UK corporation tax	1,145,171	1,050,712
Tax on profit	<u>1,145,171</u>	<u>1,050,712</u>

UK corporation tax has been charged at 19% (2021 - 19%).

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	30.9.22	30.9.21 as restated
	£	£
Profit before tax	<u>6,730,181</u>	<u>6,784,665</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	1,278,734	1,289,086
Effects of:		
Expenses not deductible for tax purposes	961	4,029
Income not taxable for tax purposes	(1,186)	(5,297)
Depreciation in excess of capital allowances	2,784	5,877
Research & development uplift	(218,205)	(242,983)
Prior year adjustment	81,288	-
Adjustment	795	-
Total tax charge	<u>1,145,171</u>	<u>1,050,712</u>

Tax effects relating to effects of other comprehensive income

There were no tax effects for the year ended 30 September 2022.

	Gross	30.9.21 Tax	Net
	£	£	£
Purchase of own shares	<u>(419,990)</u>	<u>-</u>	<u>(419,990)</u>

12. DIVIDENDS

	30.9.22	30.9.21 as restated
	£	£
A ordinary shares of £1 each		
Interim	<u>4,000,000</u>	<u>4,036,942</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

13. PRIOR YEAR ADJUSTMENT

Reconciliation of:	Equity 2021 £	Profit 2021 £
As previously reported	4,944,632	5,387,407
Adjustments arising;		
Currency differences	(175,141)	(175,141)
Double counting of sales adjustments and bad debts	602,975	602,975
Corporation tax effect	(81,288)	(81,288)
Amended equity/profit reported	<u>5,291,178</u>	<u>5,733,953</u>

Currency differences

Bank accounts and trade debtors denominated in currencies other than Sterling were not converted into Sterling for inclusion in the accounts. As a consequence, the sales relating to these items were also overstated.

Double counting of sales adjustments and bad debts

Sales ledger adjustments were made in respect of sales invoices that should never have been raised and bad debt provisions. However, some adjustments were entered twice.

Corporation tax effect

The effect on the corporation tax charge for the above adjustments.

14. TANGIBLE FIXED ASSETS

	Improvements to property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 October 2021	27,776	141,558	68,406	92,797	330,537
Additions	<u>3,061</u>	<u>15,380</u>	<u>-</u>	<u>10,522</u>	<u>28,963</u>
At 30 September 2022	<u>30,837</u>	<u>156,938</u>	<u>68,406</u>	<u>103,319</u>	<u>359,500</u>
DEPRECIATION					
At 1 October 2021	25,193	83,311	48,663	72,329	229,496
Charge for year	<u>792</u>	<u>19,566</u>	<u>9,042</u>	<u>8,035</u>	<u>37,435</u>
At 30 September 2022	<u>25,985</u>	<u>102,877</u>	<u>57,705</u>	<u>80,364</u>	<u>266,931</u>
NET BOOK VALUE					
At 30 September 2022	<u>4,852</u>	<u>54,061</u>	<u>10,701</u>	<u>22,955</u>	<u>92,569</u>
At 30 September 2021	<u>2,583</u>	<u>58,247</u>	<u>19,743</u>	<u>20,468</u>	<u>101,041</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

15. FIXED ASSET INVESTMENTS

	Unlisted investments £
COST	
At 1 October 2021	
and 30 September 2022	<u>30,945</u>
NET BOOK VALUE	
At 30 September 2022	<u>30,945</u>
At 30 September 2021	<u><u>30,945</u></u>

16. STOCKS

	30.9.22	30.9.21 as restated
	£	£
Stocks	<u>3,500,000</u>	<u>1,240,000</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.22	30.9.21 as restated
	£	£
Trade debtors	2,041,640	2,829,541
Debtors	-	(6,000)
Directors' current accounts	8,766	8,766
VAT	435,419	218,999
Prepayments	<u>65,814</u>	<u>28,998</u>
	<u><u>2,551,639</u></u>	<u><u>3,080,304</u></u>

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.22	30.9.21 as restated
	£	£
Trade creditors	2,083,049	1,068,691
Corporation tax	1,226,459	1,050,712
Other taxes	(6,507)	(4,971)
Other creditors	18,466	14,051
Accrued expenses	<u>36,976</u>	<u>4,755</u>
	<u><u>3,358,443</u></u>	<u><u>2,133,238</u></u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.9.22	30.9.21 as restated
			£	£
90	A ordinary	£1	90	90
1	A dividend	£1	1	1
1	B dividend	£1	<u>1</u>	<u>1</u>
			<u><u>92</u></u>	<u><u>92</u></u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2022

20. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 October 2021	4,924,550	19,990	4,944,540
Prior year adjustment	<u>346,546</u>		<u>346,546</u>
	5,271,096		5,291,086
Profit for the year	5,585,010		5,585,010
Dividends	<u>(4,000,000)</u>		<u>(4,000,000)</u>
At 30 September 2022	<u><u>6,856,106</u></u>	<u><u>19,990</u></u>	<u><u>6,876,096</u></u>

21. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to directors subsisted during the years ended 30 September 2022 and 30 September 2021:

	30.9.22 £	30.9.21 as restated £
Mr J R Barratt		
Balance outstanding at start of year	4,382	4,382
Amounts advanced	-	4,382
Amounts repaid	-	(4,382)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u><u>4,382</u></u>	<u><u>4,382</u></u>
Mr R P Sharphouse		
Balance outstanding at start of year	4,382	4,382
Amounts advanced	-	4,382
Amounts repaid	-	(4,382)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u><u>4,382</u></u>	<u><u>4,382</u></u>

22. ULTIMATE CONTROLLING PARTY

The company is controlled by Mr J Barratt and Mr R Sharphouse.

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