

**GROUP STRATEGIC REPORT, DIRECTORS' REPORT AND
AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022
FOR
SUMMIT SYSTEMS LIMITED**

Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Chamwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 July 2022

	Page
Company Information	1
Group Strategic Report	2
Directors' Report	3
Independent Auditors' Report	5
Consolidated Income Statement	8
Consolidated Other Comprehensive Income	9
Consolidated Balance Sheet	10
Company Balance Sheet	11
Consolidated Statement of Changes in Equity	12
Company Statement of Changes in Equity	13
Consolidated Cash Flow Statement	14
Notes to the Consolidated Cash Flow Statement	15
Notes to the Consolidated Financial Statements	17

SUMMIT SYSTEMS LIMITED

COMPANY INFORMATION
for the year ended 31 July 2022

DIRECTORS:	M C Jordan I Lowe M Ross D Cavill R J Last
SECRETARY:	I Lowe
REGISTERED OFFICE:	Unit F Tame Park Vanguard Wilnecote Tamworth Staffordshire B77 5DY
REGISTERED NUMBER:	02489937 (England and Wales)
AUDITORS:	Magma Audit LLP Chartered Accountants Statutory Auditor Unit 2, Chamwood Edge Business Park System Road Leicestershire LE7 4UZ
BANKERS:	Lloyds Bank PLC 113 The Border Telford Shropshire TF3 4AE

**GROUP STRATEGIC REPORT
for the year ended 31 July 2022**

The directors present their strategic report of the company and the group for the year ended 31 July 2022.

REVIEW OF BUSINESS

2021-22 was a year of 2 halves with a very strong H1 with H2 adversely impacted by the global supply chain shortages, extended lead times and cost increases. We recorded our highest every order intake in 33 years but the headwinds saw a decline in turnover, gross profit and profit before taxes.

Our continued focus on employee engagement, upskilling and training resulted in an employee churn rate of less than 1% per month.

Core product range continued to perform well in the year, with particular strength in packaging and recycling. The company continues to focus on strengthening our relationship with key customers and made the conscious decision to respect quoted prices and not pass on subsequent price increases.

The Company has continued to develop its operations within the process cooling market, now trading as Summit Process Cooling, and the Directors remain confident of the future growth in this sector.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the group's performance. The directors view the principal risks to be foreign currency, credit, supply chain disruption and economic uncertainty.

Foreign currency risk

Foreign currency exposure resulting from trade with customers and suppliers abroad is mitigated by a hedging policy adopted by the company.

Credit risk

Managing cashflow and credit risk is a priority of the company. All customers are subject to continuous credit checks to reduce exposure to bad debts and to maintain cashflow to support the working capital required for the operations within the business

Supply chain disruption risk

The ability to deliver to our customers in a timely manner is a key priority for the business. We are working with our suppliers to give greater visibility to our requirements whilst reviewing the level of stock holding.

KEY PERFORMANCE INDICATORS

We consider that our key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover and operating profit.

The group's turnover has declined to £13,593,418 from £14,114,380. Operating profit has decreased to £426,310 from £1,201,517 and a profit before tax has been made of £417,358 (2021 - £1,175,248).

POST BALANCE SHEET POSITION AND SUBSEQUENT EVENTS

The year started positively with trading results in the year to date exceeding the budget set by directors.

The directors have assessed the financial position of the company as well as the uncertainty surrounding the current economic turmoil as part of its considerations surrounding the company's reviewing adoption of the going concern basis of accounting. Following this review the directors are confident that the company has adequate resources and sample working capital within the business to continue operating for the foreseeable future.

ON BEHALF OF THE BOARD:

M C Jordan - Director

23 February 2023

DIRECTORS' REPORT
for the year ended 31 July 2022

The directors present their report with the financial statements of the company and the group for the year ended 31 July 2022.

PRINCIPAL ACTIVITY

The principal activity of the group continued to be that of distribution of handling equipment for the plastics industry, the fabrication of associated components and the supply and installation of a wide range of cooling equipment.

DIVIDENDS

Interim dividends were paid amounting to £604,165 (2021 - £647,816). The directors recommend that no final dividend be paid.

DIRECTORS

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

M C Jordan
I Lowe
M Ross

Other changes in directors holding office are as follows:

C A Walters - resigned 26 January 2022
D Cavill - appointed 5 April 2022

R J Last was appointed as a director after 31 July 2022 but prior to the date of this report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Group Strategic Report, the Directors' 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 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 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group 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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

DIRECTORS' REPORT
for the year ended 31 July 2022

AUDITORS

The auditors, Magma Audit LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

M C Jordan - Director

23 February 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUMMIT SYSTEMS LIMITED

Opinion

We have audited the financial statements of Summit Systems Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated 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 the financial statements:

- give a true and fair view of the state of the group's and of the parent company affairs as at 31 July 2022 and of the group's 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 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's and the parent 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 directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' Report thereon.

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.

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 or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SUMMIT SYSTEMS LIMITED

Matters on which we are required to report by exception

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

Responsibilities of directors

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

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

Based on our understanding of the company and the industry, we have identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and breaches with the Financial Conduct Authority and General Data Protection Regulation, and we have 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. 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, and management bias in accounting estimates. Audit procedures performed included:

- Enquiries with management for consideration of known or suspected instances of non-compliance with laws and regulations and fraud.
- Challenging assumptions made by management in their accounting estimates, in particular in relation to the depreciation of fixed assets and impairment of stock.
- Identifying and testing material journal entries, in particular those journal entries posted with unusual account combinations, journal entries crediting revenue, journal entries crediting cash and journal entries with specific defined descriptions.

There are inherent limitations in the audit procedures described above. The more removed non-compliance with laws and regulations is, from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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 forgery or intentional misrepresentation, for example, or through collusion.

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 Auditors' Report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SUMMIT SYSTEMS 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 an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Orton FCA FCCA (Senior Statutory Auditor)
for and on behalf of Magma Audit LLP
Chartered Accountants
Statutory Auditor
Unit 2, Charnwood Edge Business Park
Syston Road
Leicestershire
LE7 4UZ

23 February 2023

**CONSOLIDATED
INCOME STATEMENT**
for the year ended 31 July 2022

	Notes	2022 £	2021 £
TURNOVER	4	13,593,418	14,114,380
Cost of sales		<u>(10,755,654)</u>	<u>(9,999,223)</u>
GROSS PROFIT		2,837,764	4,115,157
Distribution costs		(5,220)	(25,171)
Administrative expenses		<u>(2,456,786)</u>	<u>(2,973,425)</u>
		375,758	1,116,561
Other operating income	5	<u>50,552</u>	84,956
OPERATING PROFIT	7	426,310	1,201,517
Interest receivable and similar income	8	<u>11,229</u>	2,025
		437,539	1,203,542
Interest payable and similar expenses	9	<u>(20,181)</u>	<u>(28,294)</u>
PROFIT BEFORE TAXATION		417,358	1,175,248
Tax on profit	10	<u>54,068</u>	<u>(9,000)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>471,426</u>	<u>1,166,248</u>
Profit attributable to: Owners of the parent		<u>471,426</u>	<u>1,166,248</u>

SUMMIT SYSTEMS LIMITED (REGISTERED NUMBER: 02489937)

**CONSOLIDATED
OTHER COMPREHENSIVE INCOME**
for the year ended 31 July 2022

	Notes	2022 £	2021 £
PROFIT FOR THE YEAR		471,426	1,166,248
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>471,426</u>	<u>1,166,248</u>
Total comprehensive income attributable to: Owners of the parent		<u>471,426</u>	<u>1,166,248</u>

The notes form part of these financial statements

CONSOLIDATED BALANCE SHEET

31 July 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	13	166,912	192,793
Tangible assets	14	462,011	620,739
Investments	15	100	-
		<u>629,023</u>	<u>813,532</u>
CURRENT ASSETS			
Stocks	16	1,420,007	1,474,796
Debtors	17	4,915,162	3,982,621
Investments	18	19,569	19,569
Cash at bank and in hand		1,069,530	1,708,527
		<u>7,424,268</u>	<u>7,185,513</u>
CREDITORS			
Amounts falling due within one year	19	(5,026,831)	(4,789,654)
NET CURRENT ASSETS		<u>2,397,437</u>	<u>2,395,859</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,026,460	3,209,391
CREDITORS			
Amounts falling due after more than one year	20	(66,639)	(96,431)
PROVISIONS FOR LIABILITIES	24	<u>(25,100)</u>	<u>(45,500)</u>
NET ASSETS		<u>2,934,721</u>	<u>3,067,460</u>
CAPITAL AND RESERVES			
Called up share capital	25	21,055	21,055
Retained earnings	26	2,913,666	3,046,405
SHAREHOLDERS' FUNDS		<u>2,934,721</u>	<u>3,067,460</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23 February 2023 and were signed on its behalf by:

M C Jordan - Director

COMPANY BALANCE SHEET

31 July 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	13	-	-
Tangible assets	14	462,010	620,738
Investments	15	100	360,019
		<u>462,110</u>	<u>980,757</u>
CURRENT ASSETS			
Stocks	16	1,420,007	1,468,096
Debtors	17	4,940,270	3,816,399
Investments	18	19,569	19,569
Cash in hand		1,028,593	1,265,439
		<u>7,408,439</u>	<u>6,569,503</u>
CREDITORS			
Amounts falling due within one year	19	(5,025,987)	(4,526,661)
NET CURRENT ASSETS		<u>2,382,452</u>	<u>2,042,842</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,844,562	3,023,599
CREDITORS			
Amounts falling due after more than one year	20	(66,639)	(96,431)
PROVISIONS FOR LIABILITIES	24	(25,100)	(45,500)
NET ASSETS		<u>2,752,823</u>	<u>2,881,668</u>
CAPITAL AND RESERVES			
Called up share capital	25	21,055	21,055
Retained earnings	26	2,731,768	2,860,613
SHAREHOLDERS' FUNDS		<u>2,752,823</u>	<u>2,881,668</u>
Company's profit for the financial year		<u>475,320</u>	<u>1,033,977</u>

The financial statements were approved by the Board of Directors and authorised for issue on 23 February 2023 and were signed on its behalf by:

M C Jordan - Director

SUMMIT SYSTEMS LIMITED (REGISTERED NUMBER: 02489937)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 July 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2020	21,055	2,527,973	2,549,028
Changes in equity			
Dividends	-	(647,816)	(647,816)
Total comprehensive income	-	1,166,248	1,166,248
Balance at 31 July 2021	<u>21,055</u>	<u>3,046,405</u>	<u>3,067,460</u>
Changes in equity			
Dividends	-	(604,165)	(604,165)
Total comprehensive income	-	471,426	471,426
Balance at 31 July 2022	<u>21,055</u>	<u>2,913,666</u>	<u>2,934,721</u>

The notes form part of these financial statements

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 July 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 August 2020	21,055	2,474,452	2,495,507
Changes in equity			
Dividends	-	(647,816)	(647,816)
Total comprehensive income	-	1,033,977	1,033,977
Balance at 31 July 2021	<u>21,055</u>	<u>2,860,613</u>	<u>2,881,668</u>
Changes in equity			
Dividends	-	(604,165)	(604,165)
Total comprehensive income	-	475,320	475,320
Balance at 31 July 2022	<u>21,055</u>	<u>2,731,768</u>	<u>2,752,823</u>

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	39,514	1,085,452
Interest paid		(8,868)	(11,771)
Interest element of hire purchase payments paid		(11,313)	(16,523)
Tax refund/payment		155,073	(168,356)
Net cash from operating activities		<u>174,406</u>	<u>888,802</u>
Cash flows from investing activities			
Acquisition of subsidiary		-	(11,234)
Purchase of tangible fixed assets		(49,832)	(445,999)
Sale of tangible fixed assets		84,605	154,700
Interest received		11,229	2,025
Net cash from investing activities		<u>46,002</u>	<u>(300,508)</u>
Cash flows from financing activities			
New loans in year		-	854,746
Loan repayments in year		(648,178)	(206,567)
Hire purchase repayments in year		(151,883)	(84,830)
Amount introduced by directors		551,797	-
Amount withdrawn by directors		-	(605,225)
Equity dividends paid		(604,165)	(647,816)
Net cash from financing activities		<u>(852,429)</u>	<u>(689,692)</u>
Decrease in cash and cash equivalents		<u>(632,021)</u>	<u>(101,398)</u>
Cash and cash equivalents at beginning of year	2	1,701,551	1,802,949
Cash and cash equivalents at end of year	2	<u>1,069,530</u>	<u>1,701,551</u>

The notes form part of these financial statements

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2022

1.	RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS		
		2022	2021
		£	£
	Profit before taxation	417,358	1,175,248
	Depreciation charges	239,253	222,909
	Profit on disposal of fixed assets	(16,664)	(59,172)
	Gain on revaluation of fixed assets	(100)	-
	Finance costs	20,181	28,294
	Finance income	(11,229)	(2,025)
		<u>648,799</u>	<u>1,365,254</u>
	Decrease in stocks	54,789	333,860
	Increase in trade and other debtors	(1,605,743)	(166,640)
	Increase/(decrease) in trade and other creditors	941,669	(447,022)
	Cash generated from operations	<u><u>39,514</u></u>	<u><u>1,085,452</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 31 July 2022

	31/7/22	1/8/21
	£	£
Cash and cash equivalents	1,069,530	1,708,527
Bank overdrafts	-	(6,976)
	<u>1,069,530</u>	<u>1,701,551</u>

Year ended 31 July 2021

	31/7/21	1/8/20
	£	£
Cash and cash equivalents	1,708,527	1,802,949
Bank overdrafts	(6,976)	-
	<u>1,701,551</u>	<u>1,802,949</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 July 2022

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/8/21 £	Cash flow £	Other non-cash changes £	At 31/7/22 £
Net cash				
Cash at bank and in hand	1,708,527	(638,997)		1,069,530
Bank overdrafts	(6,976)	6,976		-
	<u>1,701,551</u>	<u>(632,021)</u>		<u>1,069,530</u>
Liquid resources				
Current asset investments	19,569	-	-	19,569
	<u>19,569</u>	<u>-</u>	<u>-</u>	<u>19,569</u>
Debt				
Finance leases	(206,720)	151,883	(72,753)	(127,590)
Debts falling due within 1 year	(648,178)	648,178	-	-
	<u>(854,898)</u>	<u>800,061</u>	<u>(72,753)</u>	<u>(127,590)</u>
Total	<u>866,222</u>	<u>168,040</u>	<u>(72,753)</u>	<u>961,509</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 July 2022

1. **STATUTORY INFORMATION**

Summit Systems Limited is a private group, limited by shares, registered in England and Wales. The company's registered number is 02598183 and the registered office address is Unit F, Tame Park Vanguard, Wilnecote, Tamworth, Staffordshire, B77 5DY.

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.

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

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

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group 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.

Turnover

Turnover is measured as as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

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 Company 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.

Rendering of goods

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 there with and the costs incurred in respect of the transaction can be measured reliably.

Goodwill

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired.

Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows;

Plant and computer equipment	-	10% - 25% straight line
Fixtures and fittings	-	10% - 25% straight line
Motor vehicles	-	25% straight line

Investments in subsidiaries

Investment in the subsidiary company is held at cost less accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

2. ACCOUNTING POLICIES - continued

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprise of direct materials.

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

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.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

2. **ACCOUNTING POLICIES - continued**

Basic financial liabilities

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

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

Derecognition of financial liabilities

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

Cash and cash equivalents

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.

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.

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.

Research and development

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

Foreign currencies

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.

Leases

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

2. ACCOUNTING POLICIES - continued

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.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the director is 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.

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.

(i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 14 for the carrying amount of the property, plant and equipment, and note 2 for the useful economic lives for each class of assets.

(ii) Stock provisioning

The principal activity of the company is that of distribution of handling equipment for the plastics industry and the fabrication of associated components. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management consider the nature and condition of the stock, as well as applying assumptions around the anticipated saleability of the stock. See note 16 for the net of provisioning carrying amount of stock.

4. TURNOVER

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

An analysis of turnover by class of business is given below:

	2022	2021
	£	£
Products sales	13,335,033	14,044,403
Rentals	258,385	69,977
	<u>13,593,418</u>	<u>14,114,380</u>

An analysis of turnover by geographical market is given below:

	2022	2021
	£	£
United Kingdom	13,362,615	14,002,051
Europe	192,435	102,173
Rest of the world	38,368	10,156
	<u>13,593,418</u>	<u>14,114,380</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

5. OTHER OPERATING INCOME

	2022	2021
	£	£
Rents received	50,552	71,307
Sundry receipts	-	2,405
Covid support grants	-	11,244
	<u>50,552</u>	<u>84,956</u>

6. EMPLOYEES AND DIRECTORS

	2022	2021
	£	£
Wages and salaries	2,416,581	2,219,335
Social security costs	282,879	246,577
Other pension costs	217,086	195,237
	<u>2,916,546</u>	<u>2,658,149</u>

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

	2022	2021
	£	£
External sales	7	5
Service	12	12
Technical	7	7
Operations	8	8
Administration	7	8
Marketing	2	1
Internal sale	4	4
Fabrications	5	5
Chilled	7	1
Recyclate	1	1
Directors	5	4
	<u>65</u>	<u>55</u>

	2022	2021
	£	£
Directors' remuneration	284,849	312,089
Directors' pension contributions to money purchase schemes	<u>24,257</u>	<u>41,629</u>

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

Money purchase schemes	<u>3</u>	<u>2</u>
------------------------	----------	----------

Information regarding the highest paid director is as follows:

	2022	2021
	£	£
Emoluments etc	101,628	91,873
Pension contributions to money purchase schemes	<u>5,460</u>	<u>5,355</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

7. OPERATING PROFIT

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

	2022	2021
	£	£
Hire of plant and machinery	43,861	33,198
Other operating leases	189,676	173,542
Depreciation - owned assets	144,695	104,648
Depreciation - assets on hire purchase contracts	68,677	93,503
Profit on disposal of fixed assets	(16,664)	(59,172)
Goodwill amortisation	25,881	24,758
Auditors' remuneration	17,875	14,050
Foreign exchange (gain)/loss	<u>39,612</u>	<u>(4,136)</u>

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022	2021
	£	£
Interest received	<u>11,229</u>	<u>2,025</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022	2021
	£	£
Bank interest payable	3,084	4,619
Non bank interest on loans	5,784	7,152
Hire purchase interest payable	11,313	16,523
	<u>20,181</u>	<u>28,294</u>

10. TAXATION

Analysis of the tax (credit)/charge

The tax (credit)/charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
Adjustment to prior years	(33,668)	-
Deferred tax	<u>(20,400)</u>	<u>9,000</u>
Tax on profit	<u>(54,068)</u>	<u>9,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

10. **TAXATION - continued**

Reconciliation of total tax (credit)/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:

	2022 £	2021 £
Profit before tax	<u>417,358</u>	<u>1,175,248</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2021 - 19 %)	79,298	223,297
Effects of:		
Expenses not deductible for tax purposes	77,632	49,863
Income not taxable for tax purposes	(66,799)	(11,433)
Depreciation in excess of capital allowances	28,923	11,491
Utilisation of tax losses	-	(122,340)
Adjustments to tax charge in respect of previous periods	(33,668)	-
Unused tax losses	6,419	-
Qualifying research and development	(125,473)	(141,878)
Movement in deferred tax	(20,400)	-
Total tax (credit)/charge	<u>(54,068)</u>	<u>9,000</u>

Deferred tax has been calculated at 25% in 2022 (2021: 19%). The change in rate is due to the rise in corporation tax rates in the UK from 1 April 2023 to 25% for all companies that breach the small profits rate.

11. **INDIVIDUAL INCOME STATEMENT**

As permitted by Section 408 of the Companies Act 2006, the Statement of Comprehensive Income of the parent company is not presented as part of these financial statements.

12. **DIVIDENDS**

	2022 £	2021 £
Ordinary shares of £1 each Interim	<u>604,165</u>	<u>647,816</u>

13. **INTANGIBLE FIXED ASSETS**

Group	Goodwill
	£
COST	
At 1 August 2021 and 31 July 2022	<u>258,814</u>
AMORTISATION	
At 1 August 2021	66,021
Amortisation for year At 31 July 2022	<u>25,881</u>
	<u>91,902</u>
NET BOOK VALUE	
At 31 July 2022	<u>166,912</u>
At 31 July 2021	<u>192,793</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

14. TANGIBLE FIXED ASSETS

Group	Plant and computer equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2021	785,892	375,604	732,428	1,893,924
Additions	16,362	-	106,223	122,585
Disposals	-	-	(104,898)	(104,898)
At 31 July 2022	<u>802,254</u>	<u>375,604</u>	<u>733,753</u>	<u>1,911,611</u>
DEPRECIATION				
At 1 August 2021	728,313	303,402	241,470	1,273,185
Charge for year	21,330	10,665	181,377	213,372
Eliminated on disposal	-	-	(36,957)	(36,957)
At 31 July 2022	<u>749,643</u>	<u>314,067</u>	<u>385,890</u>	<u>1,449,600</u>
NET BOOK VALUE				
At 31 July 2022	<u>52,611</u>	<u>61,537</u>	<u>347,863</u>	<u>462,011</u>
At 31 July 2021	<u>57,579</u>	<u>72,202</u>	<u>490,958</u>	<u>620,739</u>

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022 £	2021 £
Motor vehicles	<u>154,540</u>	<u>260,091</u>
Depreciation charge for the year in respect of leased assets	<u>68,677</u>	<u>93,503</u>

Company	Plant and computer equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 August 2021	785,892	375,604	732,428	1,893,924
Additions	16,362	-	106,223	122,585
Disposals	-	-	(104,898)	(104,898)
At 31 July 2022	<u>802,254</u>	<u>375,604</u>	<u>733,753</u>	<u>1,911,611</u>
DEPRECIATION				
At 1 August 2021	728,313	303,403	241,470	1,273,186
Charge for year	21,330	10,665	181,377	213,372
Eliminated on disposal	-	-	(36,957)	(36,957)
At 31 July 2022	<u>749,643</u>	<u>314,068</u>	<u>385,890</u>	<u>1,449,601</u>
NET BOOK VALUE				
At 31 July 2022	<u>52,611</u>	<u>61,536</u>	<u>347,863</u>	<u>462,010</u>
At 31 July 2021	<u>57,579</u>	<u>72,201</u>	<u>490,958</u>	<u>620,738</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

14. TANGIBLE FIXED ASSETS - continued

Company

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022 £	2021 £
Motor vehicles	<u>154,540</u>	<u>260,091</u>
Depreciation charge for the year in respect of leased assets	<u>68,677</u>	<u>93,503</u>

15. FIXED ASSET INVESTMENTS

Group

	Shares in group undertakings £
COST	
Impairments	<u>100</u>
At 31 July 2022	<u>100</u>
NET BOOK VALUE	
At 31 July 2022	<u>100</u>

Company

	Shares in group undertakings £
COST	
At 1 August 2021	360,019
Impairments	<u>(359,919)</u>
At 31 July 2022	<u>100</u>
NET BOOK VALUE	
At 31 July 2022	<u>100</u>
At 31 July 2021	<u>360,019</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiary

Total Process Cooling Limited

Registered office: Unit F Tame Park Vanguard, Wilnecote, Tamworth, Staffordshire, England, B77 5DY

Nature of business: Supply and installation of cooling equipment

Class of shares:	%
Ordinary	holding 100.00

The value of the investment in Total Process Cooling Limited has been impaired due to the transfer of all the trade in Total Process Cooling up to Summit System Limited during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

16. STOCKS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Finished goods	<u>1,420,007</u>	<u>1,474,796</u>	<u>1,420,007</u>	<u>1,468,096</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	4,117,557	2,469,604	4,117,557	2,256,022
Other debtors	419,508	579,645	419,508	579,645
Amount due from group undertakings	30,000	30,000	55,108	77,360
Directors' loan accounts	17,898	569,695	17,898	569,695
Tax	-	121,405	-	121,405
Prepayments and accrued income	330,199	212,272	330,199	212,272
	<u>4,915,162</u>	<u>3,982,621</u>	<u>4,940,270</u>	<u>3,816,399</u>

18. CURRENT ASSET INVESTMENTS

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Other investments	<u>19,569</u>	<u>19,569</u>	<u>19,569</u>	<u>19,569</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 21)	-	300,409	-	293,433
Other loans (see note 21)	-	354,745	-	354,745
Hire purchase contracts (see note 22)	60,951	110,289	60,951	110,289
Trade creditors	1,704,939	1,487,757	1,704,939	1,348,437
Social security and other taxes	375,910	233,956	375,066	197,003
Other creditors	2,288,288	1,148,498	2,288,288	1,082,850
Amounts due to group undertakings	20,078	-	20,078	-
Accrued expenses	570,665	1,147,000	570,665	1,132,904
Deferred government grants	6,000	7,000	6,000	7,000
	<u>5,026,831</u>	<u>4,789,654</u>	<u>5,025,987</u>	<u>4,526,661</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Hire purchase contracts (see note 22)	<u>66,639</u>	<u>96,431</u>	<u>66,639</u>	<u>96,431</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

21. **LOANS**

An analysis of the maturity of loans is given below:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Amounts falling due within one year or on demand:				
Bank overdrafts	-	6,976	-	-
Bank loans	-	293,433	-	293,433
Other loans	-	354,745	-	354,745
	<u>-</u>	<u>655,154</u>	<u>-</u>	<u>648,178</u>

22. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	60,951	110,289
Between one and five years	66,639	96,431
	<u>127,590</u>	<u>206,720</u>

Hire purchase contracts represent rentals payable by the company for certain tangible fixed assets. The average lease term is 3 years.

Company

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	60,951	110,289
Between one and five years	66,639	96,431
	<u>127,590</u>	<u>206,720</u>

Hire purchase contracts represent rentals payable by the company for certain tangible fixed assets. The average lease term is 3 years.

Group

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	140,000	148,533
Between one and five years	99,944	239,944
	<u>239,944</u>	<u>388,477</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

22. LEASING AGREEMENTS - continued

Company

	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	140,000	148,533
Between one and five years	99,944	239,944
	<u>239,944</u>	<u>388,477</u>

Operating lease payments represent rentals payable by the company for equipment, land and buildings. Leases are negotiated for an average term of 1-5 years and rentals are fixed during this period.

23. SECURED DEBTS

The following secured debts are included within creditors:

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Hire purchase contracts	<u>127,590</u>	<u>206,720</u>	<u>127,590</u>	<u>206,720</u>

The hire purchase contracts are secured on the assets concerned.

24. PROVISIONS FOR LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax	<u>25,100</u>	<u>45,500</u>	<u>25,100</u>	<u>45,500</u>

Group

	Deferred tax
	£
Balance at 1 August 2021	45,500
Movement	(20,400)
Balance at 31 July 2022	<u>25,100</u>

Company

	Deferred tax
	£
Balance at 1 August 2021	45,500
Credit to Statement of Comprehensive Income during year	(20,400)
Balance at 31 July 2022	<u>25,100</u>

The movement in deferred tax for the following period, based on current rates and information, is an estimated release of £16,500. This primarily relates to the reversal of timing differences on capital allowances.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
for the year ended 31 July 2022

25. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value: £1	2022	2021
Number:	Class:		£	£
21,055	Ordinary		<u>21,055</u>	<u>21,055</u>

The 21,055 shares in issue are split as follows; 15,841 Ordinary A, 1,000 Ordinary B, 1,053 Ordinary C, 1,053 Ordinary D, 1,053 Ordinary E, 1,053 Ordinary F, 1 Ordinary G and 1 Ordinary H.

The Ordinary A - E shares have full rights in the company with respect to voting, dividends and distributions.

The Ordinary G - H shares have rights in the company with respect to dividends but are non-voting.

26. RESERVES

Retained earnings

Retained earnings represent accumulated comprehensive income for the year and prior periods less dividends paid.

27. PENSION COMMITMENTS

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. Contributions totalling £213,872 (2021 - £195,237) were paid in the year in respect of the defined contribution scheme.

28. OTHER FINANCIAL COMMITMENTS

At the year end the company had a financial commitment to purchase forward exchange contracts of €210,000 and \$130,000 which was the equivalent of £178,268 and £97,015 respectively.

29. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 July 2022 and 31 July 2021:

	2022	2021
	£	£
M C Jordan		
Balance outstanding at start of year	569,695	(35,530)
Amounts advanced	91,566	829,793
Amounts repaid	(643,363)	(224,568)
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>17,898</u>	<u>569,695</u>

Dividends totalling £69,900 (2021 - £315,316) were paid in the year in respect of shares held by the company's directors.

30. RELATED PARTY DISCLOSURES

Key management personnel consists solely of the directors.

31. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is M C Jordan.

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.