Company Number: 00149360

AVON POLYMER PRODUCTS LIMITED

Annual Report and Unaudited Financial Statements
For the period ended 01 October 2022

COMPANY INFORMATION

Directors:	Paul McDonald (resigned 30 September 2022) Nick Keveth (resigned 31 March 2022) Miles Ingrey-Counter Rich Cashin (appointed 31 March 2022) *Jos Sclater (appointed 16 January 2023)*
Secretary:	Miles Ingrey-Counter
Registered Office:	Hampton Park West Semington Road Melksham Wiltshire SN12 6NB
Company Number:	00149360

CONTENTS

	Page
Strategic Report	1
Directors' Report	1
Statement of Directors' Responsibilities	4
Statement of Total Comprehensive Income	5
Balance Sheet	6
Statement of Changes in Equity	8
Notes to the Financial Statements	9

STRATEGIC REPORT

The directors present their strategic report for the period ended 01 October 2022.

Principal activities and Business Reviews

The Company designs and produces life critical personal protection solutions for the world's militaries and first responders. With a portfolio that includes Chemical, Biological, Radiological, Nuclear ("CBRN") respiratory products, the Company's mission is to protect with purpose, enhancing the performance, efficiency and capability of its customers whilst providing ever increasing levels of protection. The Company continues to focus on maximising sales from our current product portfolio and actively developing next generation technologies to enhance our products and systems.

To that effect, 2022 has seen the launch of two significant new product lines in Avon Polymer Products Ltd, the MCM100 underwater system – a fully closed circuit, electronically controlled, mixed gas rebreather, as well as EXOSKIN CBRN protective wear – a range of boots and gloves designed to supplement the Company's CBRN respiratory protection products.

The Company has continued to grow in the financial period by onboarding further NATO member countries under the 10-year framework contract with the NATO Support and Procurement Agency (NSPA) won in October 2020. This sole-source framework contract allows NATO and associate members to order from our portfolio of respiratory products under standard pre-negotiated terms, easing the ordering process in the current fast moving macro-environment. On behalf of various NATO governments, we have delivered over 65,000 50 series respirators to protect military, government and humanitarian personnel in Ukraine throughout the period.

The business is subject to a number of risks and uncertainties. The directors of Avon Protection plc, the Company's parent undertaking, manage the Company's risks at a Group level, rather than at an individual business unit level. Discussion of these risks and uncertainties, in the context of the Avon Protection plc Group, is provided on pages 62-69 of the Group Annual Report 2022 which also gives an analysis of key performance indicators employed by the Group.

DIRECTORS' RESPONSIBILITIES UNDER S172 COMPANIES ACT 2006

For Avon Protection plc, engaging with our stakeholders is an integral part of how we operate as a business – actively seeking to understand what really matters to them and ensuring that we take this into account in our decision making. Detailed discussion of stakeholder engagement, as managed in the context of Avon Protection plc Group, is provided on pages 38-41 of the Group Annual Report and Accounts 2022.

DIRECTORS' REPORT

The directors present the annual report and financial statements of the Company for the period ended 01 October 2022.

DIVIDENDS & RESULTS

The profit for the period amounts to £8,414k (2021: loss of £4,399k). Sales for the period from continuing operations totalled £81,598k (2021: £34,506k), the significant increase being driven by the contract with the NATO Support and Procurement Agency (NSPA). Full details are set out in the attached statement of comprehensive income.

In the current period, the Company did not pay a dividend (2021: NIL). The directors do not recommend payment of a final dividend.

FINANCIAL INSTRUMENTS

The Company uses financial instruments comprising borrowings, cash resources and various items such as trade receivables and payables that arise from its operations. The main risks arising from the Company's financial instruments are interest rate and foreign exchange risks.

GOING CONCERN

The financial statements have been prepared on a going concern basis, which the directors believe to be appropriate for the following reasons:

The directors have prepared a going concern assessment covering a period of 12 months from the balance sheet date which indicates that, taking account of reasonably possible downsides, the Company will have sufficient funds and support from the parent holding to meet its liabilities as they fall due for that period.

On this basis, and on their assessment of the Company's financial position, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the approval of these financial statements. Accordingly, the Company continues to adopt the going concern basis in preparing its financial statements.

DIRECTOR'S INTERESTS

The directors of the Company who were in office during the period and up to the date of signing the financial statements are listed above.

None of the directors had a beneficial interest in the shares of the Company.

The beneficial interests of Paul McDonald, Nick Keveth and Rich Cashin in the shares and share options of the ultimate holding company, Avon Protection plc, are disclosed in the financial statements of that company. Jos Sclater did not have any beneficial interests in the shares and share options of the ultimate parent company during the reported period.

At the end of the financial period Miles Ingrey-Counter held shares in Avon Protection plc totalling 30,583 (2021: 27,253).

Under the Performance Share Plan, a description of which is given in the Annual Report of the ultimate controlling party Avon Protection plc, the following options have been granted to Miles Ingrey-Counter:

Granted 2018/19 (for the qualifying period ending 02 Oct 2021)	Granted 2019/20 (for the qualifying period ending 01 Oct 2022)	Granted 2020/21 (for the qualifying period ending 30 Sep 2023)	Total option awards outstanding at 02 Oct 2021	Vested during the period	Lapsed during the period	Granted 2021/22 (for the qualifying period ending 28 Sep 2024)	Total option awards outstanding at 01 Oct 2022
11,718	9,832	6,918	28,468	(5,859)	(5,859)	20,631	**37,381**

RESEARCH AND DEVELOPMENT

The Company carries out selective programmes of research and development to improve its major processes and abilities to develop new products. The Company's investment in research and development for the period to 01 October 2022 amounted to £3,267k (2021: £1,746k) of which £899k (2021: £1,012k) has been capitalised as intangible assets.

DISABLED PERSONS

It has been the policy of the Company throughout the period to encourage the employment and development of disabled persons.

No unnecessary limitations are placed on the type of work which disabled persons can perform and the policy ensures that in appropriate cases, consideration is given to modifications to equipment or premises and to adjustments in working practices.

The policy provides that full and fair consideration will be given to disabled applicants for employment and that existing employees who become disabled will have the opportunity to retrain and continue in employment.

EMPLOYEE INVOLVEMENT

Employee consultation, communication and involvement have long been recognised as being of great value and these practices will be maintained as a vital element in our drive to achieve the highest standards of training and development. Consultation enables employees' views to be taken into account in matters which may affect their interests and, as part of our continuous improvement activity, supervisors and employees meet regularly to tackle problems together in an atmosphere of teamwork.

DIRECTORS' INDEMNITIES

In accordance with the Company's Articles and subject to the provisions of the Companies Act 2006 ('the Act'), the Company maintains, at its expense, Directors' and Officers' insurance to provide cover in respect of legal action against its directors. This was in force throughout the financial period and remain in force as at the date of this report.

The Company's Articles allow the Company to provide the directors with funds to cover the costs incurred in defending legal proceedings. The Company is therefore treated as providing an indemnity for its directors and Company Secretary which is a qualifying third-party indemnity provision for the purposes of the Act.

POLITICAL CONTRIBUTIONS

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the period.

By order of the board

Miles Ingrey-Counter,
Company Secretary

23 June 2023

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' Report and the financial statements in acco[illegible] with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under t[illegible] the directors have elected to prepare the financial statements in accordance with United Kingdom Gene[illegible] Accepted Accounting Practices (United Kingdom accounting standards and applicable law), including F[illegible] 101 "Reduced Disclosure Framework".

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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the board

Miles Ingrey-Counter
Company Secretary
23 June 2023

AVON POLYMER PRODUCTS LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE 52 WEEKS ENDED 01 OCTOBER 2022

	52 weeks ended 01 October 2022[1] £'000	53 weeks ended 02 October 2021[1] £'000
Revenue (notes 2 & 3)	**81,598**	34,506
Cost of sales	**(52,820)**	(31,154)
Gross profit	**28,778**	3,352
Selling and distribution costs	**(7,579)**	(3,631)
General and administrative expenses	**(8,434)**	(3,838)
Other operating income (note 4)	**-**	706
Operating profit/(loss) (note 3)	**12,765**	(3,411)
Operating profit is analysed as:		
Before depreciation and amortisation	**18,179**	(763)
Depreciation and amortisation (note 7)	**(2,347)**	(2,648)
Impairments	**(3,067)**	-
Operating profit/(loss)	**12,765**	(3,411)
Interest (costs) / income / (note 6)	**(7)**	(16)
Other finance expense (note 6)	**(974)**	(953)
Profit/(Loss) before taxation	**11,784**	(4,380)
Tax (charge)/credit (note 8)	**(1,761)**	769
Profit/(Loss) for the period from continuing operations	**10,023**	(3,611)
Discontinued operations – loss from discontinued operations (note 5)	**(1,609)**	(788)
Profit/(Loss) for the period	**8,414**	(4,399)
Other comprehensive income/(expense)		
Items that are not subsequently reclassified to the income statement		
Actuarial gain/(loss) recognised on retirement benefit scheme (note 10)	**39,205**	11,856
Deferred tax relating to retirement benefit scheme (note 8)	**(10,100)**	723
Tax relating to gains on share option exercises (note 8)	**43**	358
Other comprehensive income/(expense) for the period, net of taxation	**29,148**	12,937
Total comprehensive income/(expense) for the period	**37,562**	8,538

[1] In previous periods, the Company reported financial statement to 30 September, this being the Company's accounting reference date. Headings for the current and prior period now show the actual dates to which the financial statements were drawn up. This has no impact on previously reported numbers.

AVON POLYMER PRODUCTS LIMITED

BALANCE SHEET
AT 01 OCTOBER 2022

	At 01 October 2022[1]	At 02 October 2021[1]
	£'000	£'000 restated[2]
ASSETS		
Non-current assets		
Intangible assets (note 11)	**3,515**	5,547
Plant and equipment (note 12)	**3,304**	5,221
Deferred tax assets (note 8)	**3,876**	15,933
Investments in subsidiaries (note 14)	**30**	30
	10,725	26,731
Current assets		
Inventories (note 15)	**6,193**	7,153
Trade and other receivables (note 16)	**7,375**	6,277
Amounts owed by Group undertakings	**36,137**	24,777
Cash and cash equivalents	**618**	2,173
	50,323	40,380
TOTAL ASSETS	**61,048**	67,111
EQUITY AND LIABILITIES		
Equity attributable to the owners of the parent		
Called up share capital (note 19)	-	-
Retained earnings	**46,136**	8,574
TOTAL EQUITY	**46,136**	8,574
LIABILITIES		
Non-current liabilities		
Borrowings (note 18)	**63**	97
Retirement benefit obligations (note 10)	**5,736**	50,397
	5,799	50,494
Current liabilities		
Borrowings (note 18)	**29**	28
Trade and other payables (note 17)	**9,084**	4,398
Amounts owed to group undertakings	-	3,617
	9,113	8,043
TOTAL LIABILITIES	**14,912**	58,537
TOTAL EQUITY AND LIABILITIES	**61,048**	67,111

[2] See note 21 for details of restatement

For the period ended 01 October 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities

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

These financial statements on pages 5 to 26 were approved by the board of directors on 23 June 2023 and were signed on its behalf by:

Miles Ingrey-Counter
Director

Rich Cashin
Director

The notes on pages 9 to 26 form part of the financial statements.

AVON POLYMER PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 01 OCTOBER 2022

	Called up share capital £'000	Retained earnings £'000	Total equity £'000
At 26 September 2020[1]	-	36	36
Loss for the period	-	(4,399)	(4,399)
Actuarial gain recognised on retirement benefit scheme (note 10)	-	11,856	11,856
Deferred tax relating to retirement benefit scheme (note 8)	-	723	723
Tax relating to gains on share option exercise (note 8)	-	358	358
Total comprehensive income for the period	-	8,538	8,538
At 02 October 2021[1]	-	8,574	8,574
Profit for the period	**-**	**8,414**	**8,414**
Actuarial gain recognised on retirement benefit scheme (note 10)	**-**	**39,205**	**39,205**
Deferred tax relating to retirement benefit scheme (note 8)	**-**	**(10,100)**	**(10,100)**
Tax relating to gains on share option exercise (note 8)	**-**	**43**	**43**
Total comprehensive income for the period	**-**	**37,562**	**37,562**
At 01 October 2022[1]	**-**	**46,136**	**46,136**

AVON POLYMER PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES AND CRITICAL ACCOUNTING JUDGEMENTS

Basis of Preparation
The Company is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Company registration number is 00149360.

The address of the registered office is given within the Company information page. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

These financial statements are presented in sterling £ because that is the currency of the primary economic environment in which the Company operates. Monetary amounts in these financial statements are rounded to the nearest thousand £.

The financial period presents 52 weeks ended 01 October 2022 (prior financial period 53 weeks ended 02 October 2021). The Company previously reported that the reporting date for the latest annual financial statements was 30 September 2021, being the Company's accounting reference date. The actual date to which the financial statements were drawn up was 02 October 2021 and therefore the headings of the financial statements have been amended accordingly. This has no impact on previously reported numbers.

The financial statements have been prepared on a going concern basis and in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and under the historical cost convention except for financial assets and liabilities (including derivative instruments) held at fair value through profit and loss.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes (IAS 7);
- Comparative period reconciliations for tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries (IAS 24); and
- Disclosures in respect of capital management (paragraph 134-136, IAS 1)

As the consolidated statements of Avon Protection plc include the equivalent disclosures, the Company has also taken exemptions under FRS101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 2 Share-based payments;
- Disclosures required by IFRS 7 Financial Instrument; and
- Disclosures in relation to compensation of key management personnel.

The Company is a wholly owned subsidiary of Avon Protection plc. It is included in the consolidated financial statements of Avon Protection plc which are publically available. The Company is therefore exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is Avon Protection plc, Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB.

These financial statements are separate financial statements.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Significant accounting policies

Revenue

Revenue recognition
Revenue is measured at the fair value of the consideration which is expected to be received in exchange for goods and services provided, net of trade discounts and sales-related taxes.

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

- A contract exists with a customer
- The performance obligations within the contract have been identified
- The transaction price has been determined
- The transaction price has been allocated to the performance obligations within the contract
- Revenue is recognised as or when a performance obligation is satisfied

Sale of goods
Revenue from the sale of goods is recognised when control of the goods has transferred to the customer, usually being when the goods have been shipped to the customer in accordance with the contracted shipping terms.

Provision of services
Revenue from a contract to provide services, including customer funded research and development and training, is recognised over time as those services are provided. Under IFRS 15 the Company recognises the amount of revenue from the services provided under a contract with reference to the costs incurred as a proportion of total expected costs.

Segment reporting
Segments are identified based on how management monitors the business.

An operating segment is a component of an entity:

- That engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity)
- Whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- For which discrete financial information is available.

Operating segments are aggregated into a single reportable segment only when the segments have similar economic characteristics, and the segments are similar in each of the following respects:

- The nature of the products and services; the nature of the production processes.
- The type or class of customer for their products and services; the methods used to distribute their products or provide their services.
- The nature of the regulatory environment.

The directors assess the performance of operating segments based on the measures of revenue, adjusted EBITDA and adjusted operating profit, as well as other measures not defined under IFRS including orders received, closing order book, organic revenue growth, EBITDA margin, cash conversion and Return on Capital Employed. Further details on these measures can be found in the Group's Annual Report and Accounts 2022, pages 112-117.

Pension obligations and post-retirement benefits
The Company makes contributions to defined contribution pension plans and is a participating employer of, a Group-wide defined benefit pension which closed to future accrual of benefit on 1 October 2009.

The defined benefit plan's asset or liability as recognised in the balance sheet is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in the period in which they occur, as part of other comprehensive income. Costs associated with investment management are deducted from the return on plan assets. Other expenses are recognised in the income statement as incurred.

For the defined contribution plans, the Company pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Contributions are expensed as incurred.

Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Identifiable net assets include intangible assets other than goodwill. Any such intangible assets are amortised over their expected future lives unless they are regarded as having an indefinite life, in which case they are not amortised, but subjected to annual impairment testing in a similar manner to goodwill.

Since the transition to IFRS, goodwill arising from acquisitions of subsidiaries after 3 October 1998 is included in intangible assets, is not amortised but is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill arising from acquisitions of subsidiaries before 3 October 1998, which was set against reserves in the period of acquisition under UK GAAP, has not been reinstated and is not included in determining any subsequent profit or loss on disposal of the related entity.

Goodwill is tested for impairment at least annually or whenever there is an indication that the asset may be impaired. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. Any impairment is recognised immediately in the consolidated statement of comprehensive income. Subsequent reversals of impairment losses for goodwill are not recognised.

Development expenditure

Expenditure in respect of the development of new products where the outcome is assessed as being reasonably certain as regards viability and technical feasibility is capitalised and amortised over the expected useful life of the development (between four and ten years). Expenditure that does not meet these criteria is expensed as incurred. The capitalised costs are amortised over the estimated period of sale for each product, commencing in the period in which the product is available for sale. Development costs capitalised are tested for impairment whenever there is an indication that the asset may be impaired. Any impairment is recognised immediately in the consolidated statement of comprehensive income. Subsequent reversals of impairment losses for research and development are not recognised.

Computer software

Computer software is included in intangible assets at cost and amortised over its estimated life of three to seven years.

Other intangible assets

Other intangible assets that are acquired by the Company as part of business combinations are stated at cost less accumulated amortisation and impairment losses. The useful lives take account of the differing natures of each of the assets acquired. The lives used are:

- Brands and trademarks — 4 to 15 years
- Customer relationships — 3 to 14 years
- Order backlog — 3 months to 1 year

Amortisation is charged on a straight-line basis over the estimated useful lives of the assets through general and administrative expenses.

Plant and Equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any recognised impairment losses.

Costs include the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use including any qualifying finance expenses.

Depreciation is provided on plant and equipment estimated to write off the depreciable amount of relevant assets by equal annual instalments over their estimated useful lives.

In general, the lives used are:

- Computer hardware — 3 years

- Presses 10 years
- Other plant and machinery 5 to 15 years.

The residual values and useful lives of the assets are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated net realisable value. Gains and losses on disposal are determined by comparing proceeds with carrying amounts. These are included in the Statement of Total Comprehensive Income.

Leases
Right of use assets and lease liabilities are recognised at the commencement date of the contract for all leases conveying the right to control the associated asset for a period of time.

The right of use assets are initially measured at cost, which comprises the initial measurement of the lease liability plus certain direct costs incurred. Subsequently the right of use assets are measured at cost less accumulated depreciation, any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

Depreciation is calculated on a straight-line basis over the life of the lease.

The lease liability is initially measured at the present value of the lease payments due over the life of the lease. The lease payments are discounted at the rate implicit in the lease or if that is not readily determined using the Group's incremental borrowing rate.

The lease term is determined with reference to any non-cancellable period of lease contracts plus any periods covered by an option to extend / terminate the lease if it is considered reasonably certain that the option will / will not be exercised. In concluding whether or not it is reasonably certain an option will be exercised for new leases management has considered the three-year strategic outlook for the Company and other operational factors.

Subsequently the lease liability is measured by increasing the carrying value to reflect interest on the liability and reducing the carrying value to reflect lease payments made.

The carrying value of lease liabilities and associated assets will be re-measured to reflect any changes to the lease or other assumptions applied.

The Company acts as an intermediate lessor for certain properties, and accounts for its interests in relevant head leases and subleases separately. Lease classification of the sublease between finance and operating is assessed with reference to the right of use asset arising from the head lease.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimated selling price in the ordinary course of business, less applicable incremental selling expenses.

Financial Instruments

Recognition and initial measurement
Trade receivables are initially recognised when they are originated and measured at the transaction price.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers and are initially recognised at fair value.

All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and measured at fair value.

Classification and subsequent measurement
Trade and other receivables and Trade and other payables are classified as measured at amortised cost.

The Company recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost and contract assets (as defined in IFRS 15).

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECL.

Accounts payable are classified as current liabilities if payment is due within one year or less (or in normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

Derivative financial instruments and hedging
The Company classifies its forward exchange contracts hedging forecasted transactions as cash flow hedges and states them at fair value through the statement of comprehensive income. Any ineffective portion of the hedge is recognised immediately in the income statement.

Impairment
At each reporting date the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

Taxation
Income tax on the profit or loss for the period comprises current and deferred tax.

Taxable profit differs from accounting profit because it excludes certain items of income and expense that are recognised in the financial statements but are treated differently for tax purposes.

Current tax is the amount of tax expected to be payable or receivable on the taxable profit or loss for the current period. This amount is then amended for any adjustments in respect of prior periods.

Current tax is calculated using tax rates that have been written into law ('enacted') or irrevocably announced / committed by the respective Government ('substantively enacted') at the period-end date. Current tax receivable (assets) and payable (liabilities) are offset only when there is a legal right to settle them net and the entity intends to do so.

Because of the differences between accounting and taxable profits and losses reported in each period, temporary differences arise on the amount certain assets and liabilities are carried at for accounting purposes and their respective tax values. Deferred tax is the amount of tax payable or recoverable on these temporary differences.

Deferred tax liabilities arise where the carrying amount of an asset is higher than the tax value (more tax deduction has been taken). Deferred tax liabilities are generally fully provided on all taxable temporary differences. The periods over which such temporary differences will reverse will vary depending on the life of the related asset or liability.

Deferred tax assets arise where the carrying amount of an asset is lower than the tax value (less tax benefit has been taken). Deferred tax assets are only recognised where the Company considers it probable that it will be able to use such losses by offsetting them against future taxable profits.

Deferred tax is calculated using the enacted or substantively enacted rates that are expected to apply with the asset is realised or the liability is settled. Similarly to current taxes, deferred tax assets and liabilities are offset only when there is a legal right to settle them net and the entity intends to do so.

Income tax expense reported in the financial statements comprises current tax as well as the effects of changes in deferred tax assets and liabilities. Tax expense / credits are generally recognised in the same place as the item to which they relate.

Exchange Rates
Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange at the balance sheet date.

Exchange differences are taken to the profit and loss account in the period in which they arise.

Significant accounting judgments and estimates

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires management to exercise its judgement in the process of applying the Company's accounting policies.

The key areas where assumptions and estimates are significant to the financial statements are disclosed below.

Judgements and estimates

Development costs
The Company capitalises the development of new products and processes as intangible assets or property, plant and equipment. Initial capitalisation and any subsequent impairment is based on the Company's judgement that technological and economic feasibility, including regulatory approvals required and forecast customer demand. In determining the amounts to be capitalised the Company makes estimates regarding the expected future cash generation of the project, discount rates to be applied and the expected period of benefits. If either technological or economic feasibility is not demonstrated then the capitalised costs will be written off to the income statement.

Impairment review asset grouping
Intangible assets are tested for impairment by grouping development assets into the smallest identifiable group of assets generating future cash flows largely independent from other assets (CGUs). Included in these CGUs are development expenditure, tangible assets related to the product group and acquired intangibles where associated with the development project. The identification of the levels at which assets are grouped for the purpose of impairment testing is requires the Company to exercise judgement.

Estimating the defined benefits pension scheme assets and obligations
The Group operates a defined benefit scheme which is closed to future accrual of benefit. Avon Polymer Products Limited has included in its financial results the full defined benefit pension liability, as it is a participating employer of the scheme.

Measurement of defined benefit pension obligations requires estimation of future changes in inflation and mortality rates, and the selection of a suitable discount rate.

The investments held by the pension scheme include both quoted and unquoted securities, the latter which by their nature involve assumptions and estimates to determine their fair value. Where there isn't an active market for the unquoted securities the fair value of these assets are estimated by the pension trustee based on advice received from the investment manager whilst also using any available market evidence of any recent transactions for an identical asset. The assumptions used in valuing unquoted investments are affected by current market conditions and trends which could result in changes in fair value after the measurement date. See note 10 for further details.

2 REVENUE

	2022	2021
Revenue		
	£'000	£'000
External customers	**57,401**	23,469
Group undertakings	**24,197**	11,037
	81,598	34,506

3 SEGMENTAL INFORMATION

By destination	2022 Revenue	2021 Revenue
	£'000	£'000
Europe	**52,749**	21,220
North America	**26,143**	11,633
Rest of World	**2,706**	1,653
	81,598	34,506

By Business Segment – Avon Protection	2022 £'000	2021 £'000
Revenue	**81,598**	34,506
Operating profit/(loss)	**12,765**	(3,411)

4 OTHER OPERATING INCOME

Other operating income in the prior period included the licensing fees of £706k for the right to use certain Avon Protection product approvals owned by Avon Polymer Products.

5 DISCONTINUED OPERATIONS

In September 2020 Avon Polymer Products Limited disposed of its investment in milkrite | InterPuls Limited and its entire interest in the milkrite | InterPuls business. As a result of this disposal the milkrite | InterPuls business has been classified as discontinued. The results of discontinued operations are as follows:

	2022 £	2021 £'000
Revenue	**2,547**	2,971
Cost of Sales	**(4,593)**	(3,845)
Gross (loss)/profit	**(2,046)**	(874)
Selling and distribution costs	**(5)**	-
General and administrative expenses	**(2)**	-
(Loss)/Profit before taxation	**(2,053)**	(874)
Taxation	**444**	86
(Loss)/Profit from discontinued operations	**(1,609)**	(788)

6 NET FINANCE COSTS

	2022	2021
	£'000	£'000
Interest payable on bank loans and overdrafts	**(3)**	(14)
Interest payable in respect of leases	**(4)**	(2)
	(7)	(16)

Other finance expense

Net interest cost: UK defined benefit pension scheme £'000	**(974)**	(953)

7 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

Profit on ordinary activities before taxation is stated after charging:	**2022** **£'000**	2021 £'000
Depreciation on tangible fixed assets	**1,235**	1,416
Amortisation of development costs and software	**1,112**	1,232
Impairments of tangible and intangible assets	**3,068**	-
Allocated auditors' remuneration	**118**	75
Research and development	**1,752**	679

Auditors' remuneration is an allocation of the overall Group audit fee for work performed in support of the audit opinion for the Group financial statements. The Group audit fee is disclosed on page 139 of the Group Annual Report and Accounts 2022.

The members have not required the Company to obtain an audit of its individual financial statements for the period in question in accordance with section 476. No separate opinion is provided by the auditor over these financial statements which are unaudited.

8 TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Analysis of charge in the period

	2022	2021
	£'000	£'000
Current tax charge	**283**	(22)
Adjustments in respect of previous periods	**(522)**	(106)
Deferred taxation charge/(credit)	**1,295**	(896)
Adjustments in respect of previous periods	**705**	255
Taxation charge	**1,761**	(769)

The tax assessed for the period is lower (2021: lower) than the standard rate of corporation tax in the UK of 19.0% (2021: 19.0%).

The U.K. Budget Announcement on 3 March 2021 stated that the corporation tax rate would increase to 25% (effective 1 April 2023). This increase was substantively enacted on 14 May 2021 and will increase the Company's future current tax charge accordingly. The impact of this increase is also reflected in these financial statements for all deferred tax assets.

b) Tax income included in other comprehensive income

	2022	2021
	£'000	£'000
Deferred tax relating to retirement benefit scheme	**(10,100)**	723
Tax relating to gains on share option exercises	**43**	358
	(10,057)	1,081

c) Factors affecting current tax charge

	2022	2021
	£'000	£'000
Profit/(loss) on ordinary activities before taxation	11,784	(4,380)
Profit/(loss) on ordinary activities at the average standard UK tax rate of 19.0% (2021: 19.0%)	2,239	(832)
Tax allowances	(60)	(21)
Expenses not deductible / (income not taxable) for tax purposes	(233)	(69)
Imputed interest on intercompany loans	120	99
Change in tax rate for deferred tax	(378)	(95)
Group relief not paid for	(110)	-
Adjustments in respect of previous periods	183	149
Tax charge/(credit) for the period	1,761	(769)

d) Deferred taxation

	2022	2021
	Provided £'000	Provided £'000
Capital allowances	345	674
Short term timing differences	(2,788)	(4,008)
Pension liability	(1,433)	(12,599)
Net deferred tax asset	(3,876)	(15,933)

Deferred tax assets have been recognised in respect of these items as it is probable that future taxable profits will be available against which the Company can utilise the benefits therefrom.

The Company has no unrecognised deferred tax assets or liabilities.

9 EMPLOYEES

The total remuneration and associated costs incurred during the period, in relation to both continuing and discontinued operations, were:

Staff costs during the period were:	2022 £'000	2021 £'000
Wages and salaries	13,950	9,287
Social security costs	1,349	903
Other pension costs	763	544
	16,062	10,734

Average monthly number of employees:	2022	2021
Protection	322	273
	322	273

The emoluments of Paul McDonald, Nick Keveth and Rich Cashin are paid by the ultimate holding company, Avon Protection plc and are disclosed in the financial statements of that Company. Their services to this company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to the parent company. Accordingly, the above details include no emoluments in respect of these directors.

The emoluments of the other directors can be summarised as follows:

	2022	2021
	£'000	£'000
Remuneration for qualifying services	328	221
Company pension contributions to defined contribution schemes	13	10
	341	231

The number of directors for whom retirement benefits are accruing during the period under defined contribution schemes amounted to 1 (2021: 1).

10 PENSIONS

Retirement benefit assets and liabilities can be analysed as follows:

	2022	2021
	£'000	£'000
Pension liability	5,736	50,397

The Company participates in, and is a participating employer of, the Avon Protection Group pension plan. The Avon Protection Group operated a contributory defined benefits plan to provide pension and death benefits for the employees of Avon Protection plc and its Group undertakings in the UK employed prior to 31 January 2003. The plan was closed to future accrual of benefit on 1 October 2009 and has a weighted average maturity of approximately 12 years. The assets of the plan are held in separate trustee administered funds and are invested by professional investment managers. The Trustee is Avon Rubber Pension Trust Limited, the directors of which are members of the plan. Three of the directors are appointed by the Company and two are elected by the members. The defined benefit plan exposes the Company to actuarial risks such as longevity risk, inflation risk and investment risk.

The funding of the plan is based on regular actuarial valuations. The most recent finalised actuarial valuation of the plan was carried out at 31 March 2019 when the market value of the plan's assets was £335.8m. The fair value of those assets represented 83% of the value of the benefits which had accrued to members, after allowing for future increase in pensions.

During the period the Group made payments to the fund of £7,050k (2021: £2,088k) in respect of scheme expenses and deficit recovery plan payments, including a £3,650k prepayment covering all contributions due in FY23. In accordance with the deficit recovery plan agreed following the 31 March 2019 actuarial valuation, the Group will make payments in FY24 of £3.9m in respect of deficit recovery plan payments and scheme expenses. These payments are subject to review following the March 2022 actuarial valuation which will be finalised in 2023.

Plan assets include Liability Driven Investments (LDI) of £49,325k (2021: £90,745k), which are held to manage funding risk. The fall in LDI valuation reflects increases in government bond yields through 2022. The Group is in close contact with the trustee of the scheme to monitor cash liquidity risk in context of recent market volatility, including collateral requirements for the LDI. To the date of this report, the scheme has covered all LDI collateral requirements.

The directors have confirmed no additional liability is required to be recognised as a consequence of minimum funding requirements. The trustee has no rights to wind up the scheme or improve benefits without Company consent.

An updated actuarial valuation for IAS 19 purposes was carried out by an independent actuary for the period end using the projected unit credit method.

Movement in net defined benefit liability

	Defined benefit obligation		Defined benefit asset		Net defined benefit liability	
	2022	2021	**2022**	2021	**2022**	2021
	£'000	£'000	**£'000**	£'000	**£'000**	£'000
At the beginning of the period	**(394,784)**	(413,213)	**344,387**	350,709	**(50,397)**	(62,504)
Included in profit or loss						
Administrative expenses	**(620)**	(884)	**-**	-	**(620)**	(884)
Net interest cost	**(7,728)**	(6,267)	**6,754**	5,314	**(974)**	(953)
	(8,348)	(7,151)	**6,754**	5,314	**(1,594)**	(1,837)
Included in other comprehensive income						
Remeasurement (loss)/gain:						
- Actuarial (loss)/gain arising from:						
- demographic assumptions	**(169)**	(268)	**-**	-	**(169)**	(268)
- financial assumptions	**137,119**	2,658	**-**	-	**137,119**	2,658
- experience adjustment	**(8,777)**	5,294	**-**	-	**(8,777)**	5,294
- Return on plan assets excluding interest income		-	**(88,968)**	4,172	**(88,968)**	4,172
	128,173	7,684	**(88,968)**	4,172	**39,205**	11,856
Other						
Contributions by the employer	**-**	-	**7,050**	2,088	**7,050**	2,088
Net benefits paid out	**16,817**	17,896	**(16,817)**	(17,896)	**-**	-
At the end of the period	**(258,142)**	(394,784)	**252,406**	344,387	**(5,736)**	(50,397)

Plan Assets

The fair value of the assets of the pension scheme analysed by asset category is shown below:

	2022	2021
	£'000	£'000
Equities and other securities	**95,679**	133,450
Liability Driven Investment	**49,325**	90,745
Secured income fund	**48,131**	51,290
Infrastructure fund	**49,996**	49,922
Cash	**9,275**	18,980
Total fair value of assets	**252,406**	344,387

Equity securities are valued using quoted prices in active markets where available. The Liability Driven Investment (LDI) comprises an investment in a level 2 investment vehicle which combines a series of variable interest-earning cash deposits combined with contracts to hedge interest rate and inflation risk. The LDI is valued using a net asset value published on the Irish Stock Exchange.

The Secured Income fund and Infrastructure fund are classified as level 3 within the fair value hierarchy. Holdings in the secured income fund are valued at fair value which is typically the net asset value provided by the fund administrator at the most recent quarter end. Holdings in the infrastructure fund are valued by an independent valuer using a model-based valuation such as a discounted cash flow approach.
The significant assumptions used in the valuation are the discount rate and the expected cashflows, both of which are subject to estimation uncertainty. Changes in assumptions relating to these variables could positively or negatively impact the reported fair value of these instruments.

The Defined Benefit section of the Avon Rubber Retirement and Death Benefits Plan has an investm... strategy which is targeted at maximising investment returns with a low risk strategy which still represe... prudent approach to meeting the Plan's liabilities and ensuring that members benefits are protected ... strategy considers the need for appropriate asset class diversification to balance the risks and rewards acr... a range of alternative asset classes. The investments held by the pension scheme include both quoted unquoted securities, the latter which by their nature involve assumptions and estimates to determine their f... value. Where there isn't an active market for the unquoted securities the fair value of these assets ar... estimated to determine their fair value. Where there isn't an active market for the unquoted securities the fair value of these assets are estimated by the pension trustees based on advice received from the investment manager whilst also using any available market evidence of any recent transactions for an identical asset. The target weightings under the current asset allocation strategy are 40% to matching investments, 50% to cash flow driven investments and 10% to return-seeking investments.

Actuarial assumptions
The main financial assumptions used by the independent qualified actuaries to calculate the liabilities under IAS 19 (revised) are set out below:

	2022	2021
	% p.a.	% p.a.
Inflation (RPI)	3.60	3.55
Inflation (CPI)	2.80	2.75
Pension increases post August 2005	2.30	2.30
Pension increases pre August 2005	3.45	3.40
Discount rate for scheme liabilities	5.30	2.00
Base mortality	100% of S2NA tables, based on members' year of birth	100% of S2NA tables, based on members' year of birth
Future improvements in longevity	CMI 2021 projections with a long-term trend of 1.50% p.a.	CMI 2020 projections with a long-term trend of 1.50% p.a.

RPI inflation has been set in line with market break even expectations less an inflation risk premium of 0.3% (2021:0.2%). The impact of the 0.1% change in inflation risk premium reduced the period end balance sheet liabilities by approximately £2.3m.

Changes to RPI
The conclusion of the joint consultation between the U.K. Government and the U.K. Statistics Authority in November 2020 was that RPI is intended to be aligned with CPI from February 2030 and therefore the margin between RPI and CPI will reduce over time. As a result, the Company reduced the long-term gap between RPI and CPI by ten basis points (from 0.9% to 0.8%) in the prior period.

Mortality rate

Assumptions regarding future mortality experience are set based on advice, published statistics and experience. The average life expectancy in years of a pensioner retiring at age 65 on the balance sheet date is as follows:

	2022	2021
Male	**21.8**	21.7
Female	**23.8**	23.8

The average life expectancy in years of a pensioner retiring at age 65, 20 years after the balance sheet date is as follows:

	2022	2021
Male	**23.4**	23.4
Female	**25.6**	25.6

No adjustments have been made to mortality assumptions at the period end to reflect the effects of COVID-19 as it is too soon to make a judgement on the impact of the pandemic on future mortality improvements. Mortality experience analysis for the Plan will be carried out as part of the next full actuarial valuation.

Sensitivity analysis

	Defined benefit obligation Increase/(decrease) £'000
Inflation (RPI) (1.0% increase)	19,400
Inflation (RPI) (1.0% decrease)	(19,900)
Discount rate for scheme liabilities (1.0% increase)	(27,800)
Discount rate for scheme liabilities (1.0% decrease)	33,700
Future mortality (1 year increase)	9,900

The above sensitivity analysis shows the impact on the defined benefit obligation only, not the net pension liability as it does not take into account any impact on the asset valuation. Each sensitivity analysis disclosed in this note is based on changing one assumption while holding all other assumptions constant. In practice, this is unlikely to occur.

Defined contribution pension scheme

The cost to the Company of the defined contribution scheme for the period ended 01 October 2022 amounted to £763k (2021: £544k).

11 INTANGIBLE ASSETS

	Goodwill £'000	Acquired Intangibles £'000	Development expenditure £'000	Computer Software £'000	Total £'000
Cost:					
At 03 October 2021	487	2,277	8,656	1,150	12,570
Additions	-	-	899	-	899
Reclassifications	-	-	89	28	117
Disposals	-	-	(478)	-	(478)
At 01 October 2022	487	2,277	9,166	1,178	13,108
Accumulated Amortisation:					
At 03 October 2021	-	2,277	3,755	991	7,023
Charge for the period	-	-	1,035	77	1,112
Impairments	-	-	1,458	-	1,458
Disposals	-	-	-	-	-
At 01 October 2022	-	2,277	6,248	1,068	9,593
Net book value at 01 October 2022	487	-	2,918	110	3,515
Net book value of 02 October 2021	487	-	4,901	160	5,547

The remaining useful economic life of the development expenditure is between 4 and 10 years.

Impairment review

Development costs
The Company tests development cost assets not yet ready for use annually for impairment, or more frequently if there are indications of impairment.

Intangible assets are tested for impairment by grouping development assets into the smallest identifiable group of assets generating future cash flows largely independent from other assets (CGUs). Included in these CGUs are development expenditure as well as tangible assets related to the product group. The CGUs have been tested against their recoverable amount deemed to be their value in use. Cash flows were discounted to give a present value using pre-tax discount rates ranging between 17.5% and 27.4% (2021: 7.4% and 21.6%) depending on the deemed risk profiles for each CGU. The increase of the risk-free rate in the current financial period has led to increased discount factors.

As a result of the review for the period, the following impairment charges were identified:

- General Service Respirator (GSR), fully impaired by £2,170k due to a change made on costing assumptions and forecast cash flow periods, driven by changes in market factors (£561k development expenditure, £1,609k plant and machinery).
- Other respiratory asset development expenditure, impaired by £897k due to a change in expected forecast cash flows and changing market factors.

Following the impairment charges recognised, recoverable amounts were equal to carrying amounts.

For the GSR, the following key assumptions were used as part of the value in use analysis:

- A pre-tax discount rate of 24.1%; and
- Cash flow over a period of 2.5 years, including an assumption of contractual extensions and improved gross profit margins.

Sensitivity analysis has shown that if operating profit margins for this product improved by a further 25% in the extended contract periods, a full impairment would still need to be recognised.

Sensitivity analysis on other respiratory assets has shown that a decrease in forecast net cash flows from the relevant product range by 10% would lead to an additional impairment of £145k.

At the period end, £1,900k of tangible and intangible assets relate to assets under development (2021: £2,919k), including £1,617k relying on future cash flows from key customers and assumptions made of future market demand. Key customer reliance includes assumptions of contractual extensions and future contract wins. If those customers chose not to renew or award contracts, or demands in the market did not materialise and there is no alternative use for the developed technology, capitalised development cost could be subject to impairment along with associated assets.

Goodwill
Goodwill is tested annually for impairment by comparing its carrying value against the value in use. The value in use calculations were based on projected cash flows derived from the latest three-year plan approved by the Board. Cash flows for beyond three years were projected to grow by 2.0% p.a. Cash flows were discounted to give a present value using a pre-tax discount rate of 14.3% (2021: 8.9%). The discount rate was derived at using external expert advice taking into consideration current market conditions.

Sensitivity analysis demonstrates that a decrease in forecast EBITDA of more than 31% (2021: 58%) could be sustained before an impairment may be required. In addition, increasing the discount rate by 2% (2021: 2%) would not lead to any indications of impairment.

12 PLANT AND EQUIPMENT

	Leasehold Property	Plant and Machinery	Total
	£'000	**£'000**	**£'000**
Cost:			
At 03 October 2021	279	14,886	15,165
Additions	-	1,050	1,050
Reclassifications	-	(117)	(117)
Disposals	-	(6)	(6)
At 01 October 2022	279	15,813	16,092
Accumulated Depreciation:			
At 03 October 2021	133	9,811	9,944
Charge for the period	34	1,201	1,235
Impairments	-	1,609	1,609
Disposals	-	-	-
At 01 October 2022	167	12,621	12,788
Net book value at 01 October 2022	112	3,192	3,304
Net book value at 02 October 2021	146	5,075	5,221

13 FINANCIAL COMMITMENTS

	2022 £'000	2021 £'000
Capital expenditure committed	**488**	944

Capital expenditure committed represents the amount committed at the end of the financial period for which no provision has been made in the financial statements.

14 INVESTMENTS IN SUBSIDIARIES

Name	2022 £'000	2021 £'000
At 02 October	**30**	30
	30	30

The Company holds investments in the following subsidiaries:

Company	Registered office address	Activity	Country of incorporation	Shareholding %
Avon Technologies Limited	Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB	Dormant	UK	100%
Avon Protection U.K. Limited	Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB	Dormant	UK	100%

All shareholdings are ordinary shares. All companies have the same period end.

Avon Polymer Products Limited is a subsidiary of Avon Protection plc.

In the opinion of the directors, the value of the Company's investment in its subsidiaries is not less than that stated in the balance sheet.

15 INVENTORIES

	2022 £	2021 £
Raw materials	**4,258**	4,824
Work in progress	**1,056**	1,242
Finished goods	**2,230**	3,204
Inventory – gross	**7,544**	9,270
Inventory provision	**(1,351)**	(2,117)
Inventory – net	**6,193**	7,153

Provisions for inventory write downs were £1,351k (2021: £2,117k). The cost of inventories recognised as an expense and included in cost of sales amounted to £47,900k (2021: £19,884k).

16 TRADE AND OTHER RECEIVABLES

	2022 £'000	2021 £'000
Amounts falling due within one year:		
Trade receivables	**5,220**	4,939
Less: provision for impairment of receivables	**(17)**	(57)
Trade receivables – net	**5,203**	4,882
Prepayments	**698**	75
Other receivables	**1,474**	1,320
	7,375	6,277

17 TRADE AND OTHER PAYABLES

	2022	2021
Amounts falling due within one year:	**£'000**	£'000
Trade payables	**3,426**	2,565
Other taxation and social security payable	**760**	389
Other payables	**995**	262
Accruals	**3,903**	1,182
	9,084	4,398

18 BORROWINGS

	2022	2021
Current:	**£'000**	£'000
Lease liabilities	**29**	28
Non Current:		
Lease liabilities	**63**	97
Total lease liabilities	**92**	125

The table below presents the maturity analysis in respect of lease liabilities:

	As at 01 October 2022	As at 02 October 2021
	£'000	£'000
In one year or less, or on demand	**29**	28
Two to five years	**63**	97
Total lease liabilities	**92**	125

19 CALLED UP SHARE CAPITAL

	2022 £	2021 £
Allotted, called up and fully paid ordinary shares of £1 each		
At the beginning of the period	**100**	100
At the end of the period	**100**	100

20 CONTINGENT LIABILITIES

A cross guarantee arrangement exists between the Company and other group companies in relation to overdraft facilities. At the period end the Company had no liability recorded in these financial statements under this arrangement.

21 RESTATEMENT

Comparatives have been restated for the gross presentation of intercompany receivables and payables which had previously been offset as at 2 October 2021.

This has not impacted the profit and loss account for the 53 weeks period ended 2 October 2021.

A reconciliation of the previously reported figures to the restated figures is presented below:

	As reported 02 October 2021	Gross Intercompany balances	02 October 2021 Restated
	£'000	£'000	£'000
Amounts owed by Group undertakings	21,160	3,617	24,777
Amounts owed to Group undertakings	-	(3,617)	(3,617)

22 RELATED PARTIES

The Company has taken advantage of FRS 101 which exempts the Company from disclosing transactions entered into with other Group companies, provided those companies are also wholly owned.

23 ULTIMATE CONTROLLING PARTY

The immediate parent company and ultimate controlling party and parent company is Avon Protection plc, incorporated in the United Kingdom and registered in England and Wales. Consolidated financial statements incorporating the results of the Company are prepared by Avon Protection plc only and no other intermediate holding company. Copies of the consolidated financial statements may be obtained from Avon Protection plc, Hampton Park West, Semington Road, Melksham, Wiltshire, SN12 6NB or by visiting www.avon-protection.com .