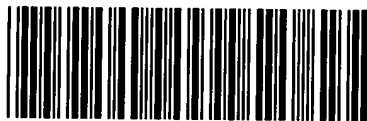


Canford Group Limited

Annual report

31 October 2025

FRIDAY



AEWR8KEG

A14

27/02/2026

#6

COMPANIES HOUSE

Canford Group Limited

Company information

Directors	J S Francis G D Byers C J Arnold M Brindley G A Drake A R Wilson
Company secretary	J S Francis
Registered number	03154977
Registered office	Crowther Road Washington Tyne & Wear NE38 0BW
Independent auditor	UNW LLP Chartered Accountants Citygate St James' Boulevard Newcastle upon Tyne NE1 4JE
Bankers	Lloyds Bank plc 15-21 Northumberland Street Monument Mall Newcastle upon Tyne NE1 7AE
Solicitors	Ward Hadaway 102 Quayside Newcastle upon Tyne NE1 3DX

Canford Group Limited

Contents

	Page
Group strategic report	1 - 3
Directors' report	4 - 6
Directors' responsibilities statement	7
Independent auditor's report to the members of Canford Group Limited	8 - 11
Consolidated statement of comprehensive income	12
Consolidated balance sheet	13
Company balance sheet	14
Consolidated statement of changes in equity	15
Company statement of changes in equity	16
Consolidated statement of cash flows	17
Consolidated analysis of net debt	18
Notes to the financial statements	19 - 34

Canford Group Limited

Group strategic report Year ended 31 October 2025

Introduction

The directors present their strategic report together with the audited financial statements for the year ended 31 October 2025.

Business review

The group's core activity is the manufacture and sale of professional audio, video and broadcast equipment. The Canford brand is renowned and widely respected for product quality, level of service and for the diversity of stock lines on offer.

A number of related comprehensive websites serve as the Canford catalogue, supported by a wealth of technical knowledge and multiple language skills in our offices at Washington, Tyne and Wear, on the Isle of Portland, Dorset, at Erstein, close to Strasbourg, France, and in Dubai. The main website is www.canford.co.uk, while there are versions in French and German at www.canford.fr and www.canford.de. These support both direct exports from the UK and sales through the French subsidiary.

Canford's broad customer base, and continuing close relationships with our customers, has helped the group withstand a challenging last 12 months. As anticipated a year ago the group saw a reduction in turnover of approximately £2m to £18,772,504 in line with market conditions.

As a result of higher gross profit margins and lower overhead expenses than the previous year, the group was able to report a pre-tax profit of £1,350,503 (2024: £1,493,492) for the year.

Cash flow remained positive and the group met its financial obligations.

The group continues to recognise the importance of well-being in the workplace. Over the last 12 months, the group has achieved both Bronze and Silver 'Better Health at Work' accreditation through Sunderland and Durham City Councils.

The group has continued to expand the Canford Connect branded product range. We have developed and expanded our range of Canford touring cable and products to appeal to the growing theatre and live events sectors. Following positive customer feedback at exhibitions throughout the year we launched the Canford Dante Powered Diecast Speaker; some variants will follow in 2026.

The group continues to develop its manufacturing facilities in order to meet increasing customer demand, by adding capacity as required across all sites.

The demand for custom metal connection panels continues to increase, with Canford recognised as a market leader in this sector. Canford continues to be architect-specified for audio and video connectivity solutions in many of the highest profile sports stadiums in both Europe and the Middle East, as well as theatres, live events and conference facilities. This sustained growth supports further investment in our manufacturing site on the Isle of Portland, UK, and across the wider business.

Canford Group Limited

Group strategic report (continued) Year ended 31 October 2025

Key performance indicators

The directors consider the Key Performance Indicators of the group to consist of turnover, gross profit, and the proportion of sales of manufactured goods:

Turnover for 2025 was £18,772,504 compared to £20,660,233 in 2024.

Gross profit for 2025 was £5,971,789 (31.8%) compared to £6,256,385 (30.3%) in 2024.

Sales of manufactured goods for 2025 was £6,574,474 (35.0%) compared to £7,291,881 (35.3%) in 2024.

The directors are proud of all that was achieved during the year ended 31st October 2025. Once again, we express our thanks to our loyal staff, customers and suppliers for this major achievement.

Canford's ownership

Canford Group Limited is wholly owned by the Canford Employee Ownership Trust. It is the intention that the trust will hold the shares for the benefit of current and future employees of the group for the maximum period of 125 years (beginning in 2019) permitted by UK legislation.

The trust has not paid for the shares in full, and a substantial balance remains due from the trust to former shareholders. It was the intention for the group to make further payments to the trust from profits over a five-year period from December 2019. The COVID pandemic and commercial factors rendered that timescale unrealistic; however, further payments on account have been made from 2022-2025.

Position at the year end

The group ended the financial year in a healthy position, with approximately £1,189k (2024: £552k) in the bank.

Trading risk

The group is monitoring current challenges including currency fluctuations, supply of raw materials, and geopolitical tensions and conflicts affecting the whole world.

Canford's own brands are an important source of sales growth, with continuing high demand for both standard products and custom variations. New products continue to be developed in all areas of production, which have been shown to be very strong performers with great customer trust in reliability and quality. We also continually look to expand our entire portfolio to keep up with latest trends and technologies; some of which will be on display at exhibitions throughout the year.

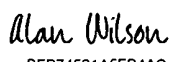
Fibre supply and termination continues to be seen as a growth area for the business, with our intention being to expand our portfolio of products and stock holding position in order to provide our customers with the best solutions possible. There is an ongoing project to expand our range of EMO products to appeal to the growing theatre and live events sectors.

Environmental responsibility is incredibly important to us at Canford. We continue to strive to have as little impact on the environment as possible.

Canford Group Limited

Group strategic report (continued) Year ended 31 October 2025

This report was approved by the board on 25 February 2026 and signed on its behalf by:

Signed by:

BFB74521A5FB4AC...

A R Wilson
Director

Canford Group Limited

Directors' report Year ended 31 October 2025

The directors present their report and the financial statements for the year ended 31 October 2025.

Principal activity

The group continues to be principally engaged in the manufacture and distribution of professional audio, video and data equipment.

Results and dividends

The profit for the year, after taxation, amounted to £1,007,667 (2024: £1,090,186).

Distributions of £586,577 were paid during the year (2024: £858,342). The directors do not recommend the payment of a final dividend.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

J S Francis
G D Byers
C J Arnold
M Brindley
G A Drake
A R Wilson

Principal risks and uncertainties

The group's operations expose it to a variety of financial risks including exchange rate risks. The group continuously reviews its foreign currency exposure and other financial risks.

The group has implemented policies that require appropriate credit checks on potential customers before sales are made. Credit control policy is directed towards maximising retention of clients whilst minimising debtor days. The group has healthy cash reserves, ensuring that it has sufficient funds for ongoing operations and future investments.

Environmental matters

The group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The group has complied with all applicable legislation and regulations.

Research and development activities

The group is committed where necessary to research and development activities in order to secure its position as a market leader in the supply of professional audio, video and data equipment.

Canford Group Limited

Directors' report (continued) Year ended 31 October 2025

Engagement with employees

Information on matters of concern to employees is communicated on a regular basis by a variety of means, including bi-annual update letters, to seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Employee safety and wellbeing remains the group's prime concern at all our premises.

It is the group's policy that disabled people should receive full and fair consideration for all job vacancies for which they are suitable applicants. Employees who become disabled during their working life will be retained in employment wherever possible and will be given help with any necessary rehabilitation and retraining. The group is prepared to modify procedures or equipment, wherever this is practicable, so that full use can be made of an individual's abilities.

Directors' liability insurance

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The group also purchased and maintained throughout the financial year directors' and officers' liability insurance in respect of itself and its directors.

Matters covered in the group strategic report

The following information, which would otherwise be disclosed in the directors' report, is instead disclosed in the strategic report, as permitted by section 414C (11) of the Companies Act 2006:

- future developments

Disclosure of information to auditor

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

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

Canford Group Limited

Directors' report (continued) Year ended 31 October 2025

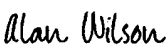
Post balance sheet events

There have been no significant events affecting the group since the year end.

Auditor

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and UNW LLP will therefore continue in office.

This report was approved by the board on 25 February 2026 and signed on its behalf by:

Signed by:

BFB74521A5FB4AC...

A R Wilson
Director

Canford Group Limited

Directors' responsibilities statement Year ended 31 October 2025

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

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

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

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



Independent auditor's report to the members of Canford Group Limited

Opinion

We have audited the financial statements of Canford Group Limited ('the parent company') and its subsidiaries ('the group') for the year ended 31 October 2025, which comprise the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated statement of cash flows, the consolidated statement of net debt, the consolidated and company statement of changes in equity and the related notes, 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's affairs as at 31 October 2025 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 'Auditor's 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 United Kingdom, including the Financial Reporting Council'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 or 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.



Independent auditor's report to the members of Canford Group Limited (continued)

Other information

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

We have nothing to report in this regard.

Opinion 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.

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 in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.



Independent auditor's report to the members of Canford Group Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

A further description of 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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

We obtain and update our understanding of the group, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the group is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risks of acts by the entity that were contrary to applicable laws and regulations, including fraud.

Based on our understanding of the group, we identified that the principle risks of non-compliance with laws and regulations related to laws and regulations that directly affect the financial statements including financial reporting legislation (including related group legislation), distributable profits legislation, pension legislation and UK tax legislation. In addition, the group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines and litigation. We considered the extent to which non-compliance with laws and regulations might have a material effect on the financial statements and we have assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We also evaluated managements' incentives and opportunities for fraudulent manipulation of the financial statements (including risk of override of controls) and determined that the principal risks related to posting inappropriate journal entries to manipulate financial results, management bias in accounting estimates, as well as improper revenue recognition which includes fraudulent posting of journal entries to revenue.



Independent auditor's report to the members of Canford Group Limited (continued)

Audit procedures performed by the engagement team included:

- Inquiry of management and those charged with governance regarding actual and potential litigation or claims as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Reviewing meeting minutes to identify reported frauds and any potential non-compliance with laws and regulations;
- Identifying journal entries based on risk criteria and testing the identified entries to supporting documentation; and
- Challenging assumptions and judgments made by management in their significant accounting estimates and evaluating whether there was any evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Use of our report

This report is made solely to the group'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 group's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the group's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

0069F9B19C11478...

Peter Sym BA ACA (Senior Statutory Auditor)
for and on behalf of UNW LLP, Statutory Auditor
Chartered Accountants
Newcastle upon Tyne

25 February 2026

Canford Group Limited

Consolidated statement of comprehensive income Year ended 31 October 2025

	Note	2025 £	2024 £
Profit and loss account			
Turnover	5	18,772,504	20,660,233
Cost of sales		(12,800,715)	(14,403,848)
Gross profit		5,971,789	6,256,385
Distribution costs		(455,893)	(531,157)
Administrative expenses		(4,128,294)	(4,188,122)
Operating profit	6	1,387,602	1,537,106
Interest receivable		676	139
Interest payable and similar expenses	9	(37,775)	(43,753)
Profit before taxation		1,350,503	1,493,492
Taxation	10	(342,836)	(403,306)
Profit for the financial year		1,007,667	1,090,186
Total comprehensive income for the year		1,007,667	1,090,186

There was no other comprehensive income for 2025 or 2024.

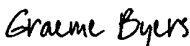
The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Consolidated balance sheet At 31 October 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	11	1,165,469	1,157,331
		<u>1,165,469</u>	<u>1,157,331</u>
Current assets			
Stocks	13	4,329,238	3,991,301
Debtors	14	2,436,975	1,961,734
Cash at bank and in hand		1,189,416	551,593
		<u>7,955,629</u>	<u>6,504,628</u>
Creditors: amounts falling due within one year	15	(4,192,782)	(3,051,559)
Net current assets		<u>3,762,847</u>	<u>3,453,069</u>
Total assets less current liabilities		<u>4,928,316</u>	<u>4,610,400</u>
Creditors: amounts falling due after more than one year	16	(393,138)	(508,111)
Provisions for liabilities			
Deferred taxation	18	(137,843)	(126,044)
Net assets		<u><u>4,397,335</u></u>	<u><u>3,976,245</u></u>
Capital and reserves			
Called up share capital	19	61,595	61,595
Profit and loss account	20	4,335,740	3,914,650
Total equity		<u><u>4,397,335</u></u>	<u><u>3,976,245</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 February 2026.

Signed by:

 0784083BA1E9488...
G D Byers
 Director

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

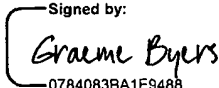
Company balance sheet At 31 October 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	11	805,930	846,059
Investments	12	600,001	600,001
		<u>1,405,931</u>	<u>1,446,060</u>
Creditors: amounts falling due within one year	15	(12,312)	-
Total assets less current liabilities		<u>1,393,619</u>	<u>1,446,060</u>
Provisions for liabilities			
Deferred taxation	18	(81,892)	(86,529)
Net assets		<u>1,311,727</u>	<u>1,359,531</u>
Capital and reserves			
Called up share capital	19	61,595	61,595
Profit and loss account	20	1,250,132	1,297,936
Total equity		<u>1,311,727</u>	<u>1,359,531</u>

The company has taken the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The profit after tax for the parent company was £14,159 (2024: £102,443).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 February 2026.

Signed by:



0784083BA1E9488...

G D Byers
Director

Company registered number: 03154977

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Consolidated statement of changes in equity Year ended 31 October 2025

	Called up share capital £	Profit and loss account £	Total equity £
At 1 November 2023	61,595	3,682,806	3,744,401
Profit and total comprehensive income for the year	-	1,090,186	1,090,186
Contribution to Canford Employee Ownership Trust	-	(858,342)	(858,342)
At 1 November 2024	61,595	3,914,650	3,976,245
Profit and total comprehensive income for the year	-	1,007,667	1,007,667
Contribution to Canford Employee Ownership Trust	-	(586,577)	(586,577)
At 31 October 2025	61,595	4,335,740	4,397,335

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Company statement of changes in equity Year ended 31 October 2025

	Called up share capital £	Profit and loss account £	Total equity £
At 1 November 2023	61,595	1,195,493	1,257,088
Profit and total comprehensive income for the year	-	102,443	102,443
At 1 November 2024	61,595	1,297,936	1,359,531
Profit and total comprehensive income for the year	-	14,159	14,159
Contributions by and distributions to owners			
Contribution to Canford Employee Ownership Trust	-	(61,963)	(61,963)
At 31 October 2025	61,595	1,250,132	1,311,727

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Consolidated statement of cash flows Year ended 31 October 2025

	2025 £	2024 £
Cash flows from operating activities		
Profit for the financial year	1,007,667	1,090,186
Adjustments for:		
Depreciation of tangible assets	139,451	127,813
Profit on disposal of tangible assets	(4,105)	-
Interest paid	37,775	43,753
Interest received	(676)	(139)
Taxation charge	342,836	403,306
Increase in stocks	(337,937)	(39,897)
(Increase)/decrease in debtors	(475,241)	132,766
Increase/(decrease) in creditors	1,016,139	(569,699)
Corporation tax paid	(254,836)	(430,486)
Net cash generated from operating activities	1,471,073	757,603
Cash flows from investing activities		
Purchase of tangible fixed assets	(147,589)	(296,947)
Sale of tangible fixed assets	4,105	-
Interest received	676	139
Net cash used in investing activities	(142,808)	(296,808)
Cash flows from financing activities		
Repayment of bank loans	(110,653)	(106,679)
Net movement in receivables financing facility	44,563	(44,668)
Contributions to Canford Employee Ownership Trust	(586,577)	(858,342)
Interest paid	(37,775)	(43,753)
Net cash used in financing activities	(690,442)	(1,053,442)
Net increase/(decrease) in cash and cash equivalents	637,823	(592,647)
Cash and cash equivalents at beginning of year	551,593	1,144,240
Cash and cash equivalents at the end of year	1,189,416	551,593
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,189,416	551,593

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Consolidated analysis of net debt
Year ended 31 October 2025

	At 1 November 2024 £	Cash flows £	Other non- cash changes £	At 31 October 2025 £
Cash at bank and in hand	551,593	637,823	-	1,189,416
Debt due after 1 year	(508,111)	-	114,973	(393,138)
Debt due within 1 year	(329,833)	66,090	(114,973)	(378,716)
	<u>(286,351)</u>	<u>703,913</u>	<u>-</u>	<u>417,562</u>

The notes on pages 19 to 34 form part of these financial statements.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

1. General information

Canford Group Limited ('the company') and its subsidiaries (together 'the group') are engaged in the manufacturing and distribution of professional audio, video and data equipment.

The company is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of the registered office is given on the company information page of these financial statements.

2. Statement of compliance

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102 '*The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland*' ('FRS 102') and the Companies Act 2006.

3. Accounting policies

The principal accounting policies applied 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.

3.1 Basis of preparation

These financial statements comprise the consolidated (group) financial statements and the company's separate financial statements. However, as permitted by section 408 of the Companies Act 2006, the separate profit and loss account of the company is not presented.

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in pounds sterling and are rounded to the nearest pound.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3.2 Basis of consolidation

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings as if they formed a single entity. Intercompany transactions and balances are therefore eliminated in full.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

3. Accounting policies (continued)

3.3 Going concern

In determining the appropriate basis of preparation of the financial statements, the directors are required to consider whether the group can continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of signing of these financial statements.

The directors have prepared profit and cash flow forecasts for a period in excess of 12 months from the date of their approval of these financial statements.

The cash flow forecasts that the directors have prepared are based on their current best estimate of trading levels with the group's key customers and the group's expected cost base and show that the company can maintain sufficient financial headroom and operate within the current available bank facilities for the foreseeable future.

In the year to 31 October 2025 the profit for the year was £1,007,667 (2024: £1,090,186). At 31 October 2025 the net current asset position was £3,762,847 (2024: £3,453,069) and net assets of £4,397,335 (2024: £3,976,245).

Whilst the continuing risks in this regard cannot be completely mitigated and therefore some level of future uncertainty remains, the directors continue to adopt measures and assess the financial implications of associated factors outside their control alongside reviewing revised forecasts and future projections. Based on those forecasts and projections, the directors do not consider the residual uncertainties to be material to the group's ability to continue meeting its liabilities as they fall due in the foreseeable future and, accordingly, they continue to prepare the financial statements on a going concern basis.

3.4 Revenue recognition

Turnover

Turnover comprises revenue recognised in respect of goods supplied during the year, net of discounts and excluding Value Added Tax.

Interest income

Interest income is recognised on an accruals basis.

3.5 Foreign currency

The group's functional currency is pounds sterling.

Transactions and balances

Transactions in foreign currencies are translated into sterling using the spot exchange rates at the dates of the transactions. At each period end, foreign currency monetary assets and liabilities are translated using the closing rate. Foreign exchange gains and losses resulting from the settlement of transactions and from the period-end retranslation are recognised in the profit and loss account.

Translation

The trading results of group overseas undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at the exchange rates ruling at the year end. Exchange adjustments arising from the retranslation of opening net investments and from the translation of the profits or losses at average rates are recognised in other comprehensive income.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

3. Accounting policies (continued)

3.6 Employee benefits

Short-term benefits

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Defined contribution pension plan

The group operates a defined contribution pension plan for its employees. Contributions are recognised as an expense when they fall due. Amounts due but not yet paid are included within creditors on the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

3.7 Leases

All of the group's leasing arrangements are operating leases. Rental payments under operating leases are charged to the profit and loss account on a straight-line basis over the lease term, even if payments are not made on such a basis.

3.8 Research and development

Research and development expenditure is written off to the profit and loss account in the period in which it is incurred.

3.9 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the period in which they are incurred.

3.10 Taxation

The taxation expense for the year comprises current and deferred tax and is recognised in the profit and loss account.

Current tax is the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods and arises from 'timing differences' (where transactions or events are included in the financial statements in periods different from those in which they are assessed for tax). Deferred tax is recognised in respect of all timing differences, except that unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of timing differences.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

3. Accounting policies (continued)

3.11 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price plus any further costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their estimated useful lives as follows:

Freehold buildings	-	2% and 5% straight line
Plant and machinery	-	10% to 33% straight line
Motor vehicles	-	25% straight line
Computer equipment	-	20% to 50% straight line

Asset residual values and useful lives are reviewed at the end of each reporting period, and adjusted if appropriate. The effect of any change is accounted for prospectively.

3.12 Fixed asset investments

In the company balance sheet, investments in subsidiary undertakings are measured at cost less accumulated impairment losses.

3.13 Stocks

Stocks are stated at the lower of cost or estimated selling price less costs to complete and sell. Cost includes all direct costs and, for manufactured stocks and work in progress, an appropriate proportion of fixed and variable overheads (based on normal operating capacity). Cost is determined using the first-in first-out (FIFO) method.

A provision is made as necessary for damaged, obsolete or slow-moving items.

3.14 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, cash and bank balances, bank loans and loans to or from related parties, including fellow group companies.

Debt instruments due within one year are measured, initially and subsequently, at the transaction price. Debt instruments due after one year are measured initially at the transaction price and subsequently at amortised cost using the effective interest method.

At the end of each reporting period debt financial assets are assessed for impairment, and their carrying value reduced if necessary. Any impairment charge is recognised in the profit and loss account.

3.15 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and bank overdrafts.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

3. Accounting policies (continued)

3.16 Provisions for liabilities

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

Provisions are charged as an expense to the consolidated statement of comprehensive income in the year that the group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

3.17 Dividends

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

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

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgments in applying the entity's accounting policies

In preparing these financial statements the directors do not consider there were any significant areas of judgment that were required in applying the group's accounting policies as set out above.

Key sources of estimation uncertainty

Estimates included within these financial statements include depreciation and asset impairments (for example stock provisions). None of the estimates made in the preparation of these financial statements are considered to carry significant estimation uncertainty, nor to bear significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5. Turnover

The whole of the turnover is attributable to the principal activity of the group.

Analysis of turnover by country of destination:

	2025 £	2024 £
United Kingdom	11,410,044	11,999,573
Rest of the world	7,362,460	8,660,660
	<u>18,772,504</u>	<u>20,660,233</u>

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

6. Operating profit

Operating profit is stated after charging/(crediting):

	2025 £	2024 £
Research and development charged as an expense	156,679	167,616
Depreciation of tangible fixed assets	139,451	127,813
Net impairment of stocks	4,888	41,577
Fees payable to the group's auditor for the audit of the company's annual financial statements	28,165	26,775
Exchange differences	3,306	42,164
Operating lease rentals	27,179	28,792
Profit on sale of fixed assets	(4,105)	-

7. Employees

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

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Wages and salaries	3,894,048	4,329,046	-	-
Social security costs	447,106	433,283	-	-
Cost of defined contribution scheme	161,439	174,167	-	-
	<u>4,502,593</u>	<u>4,936,496</u>	<u>-</u>	<u>-</u>

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

	2025 No.	2024 No.
Directors	6	6
Production	41	46
Administration	62	72
Distribution	12	13
	<u>121</u>	<u>137</u>

The company has no employees other than the directors, who did not receive any remuneration (2024: £nil)

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

8. Directors' remuneration

	2025 £	2024 £
Directors' emoluments	336,560	349,799
Group contributions to defined contribution pension schemes	27,019	21,957
	<u>363,579</u>	<u>371,756</u>

During the year retirement benefits were accruing to 6 directors (2024: 6) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £107,583 (2024: £105,658).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,003 (2024: £8,072).

9. Interest payable and similar expenses

	2025 £	2024 £
Bank loans and overdrafts	21,080	25,054
Other interest payable	16,695	18,699
	<u>37,775</u>	<u>43,753</u>

10. Taxation

	2025 £	2024 £
Corporation tax		
Current tax on profits for the year	331,037	340,394
Adjustments in respect of previous periods	-	(17,095)
Total current tax	<u>331,037</u>	<u>323,299</u>
Deferred tax		
Origination and reversal of timing differences	11,799	42,469
Adjustments in respect of previous periods	-	37,538
Total deferred tax	<u>11,799</u>	<u>80,007</u>
Taxation on profit	<u>342,836</u>	<u>403,306</u>

Canford Group Limited

Notes to the financial statements
Year ended 31 October 2025

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2024: higher than) the standard rate of corporation tax in the UK of 25% (2024: 25%). The differences are explained below:

	2025 £	2024 £
Profit on ordinary activities before tax	1,350,503	1,493,492
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2024: 25%)	337,626	373,373
Expenses not deductible for tax purposes	8,954	7,482
Tax rate changes	(3,744)	2,008
Adjustments to tax charge in respect of prior periods	-	20,443
Total tax charge for the year	342,836	403,306

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

11. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 November 2024	1,711,986	2,183,316	41,168	817,143	4,753,613
Additions	-	60,023	24,594	62,972	147,589
Disposals	-	-	(17,876)	-	(17,876)
At 31 October 2025	1,711,986	2,243,339	47,886	880,115	4,883,326
Depreciation					
At 1 November 2024	766,735	1,983,240	41,168	805,139	3,596,282
Charge for the year	43,372	69,050	4,611	22,418	139,451
Disposals	-	-	(17,876)	-	(17,876)
At 31 October 2025	810,107	2,052,290	27,903	827,557	3,717,857
Net book value					
At 31 October 2025	901,879	191,049	19,983	52,558	1,165,469
At 31 October 2024	945,251	200,076	-	12,004	1,157,331

The net book amount of land not being depreciated is £70,000 (2024: £70,000).

Canford Group Limited

Notes to the financial statements
Year ended 31 October 2025

11. Tangible fixed assets (continued)

Company		Freehold property £
Cost		
At 1 November 2024		1,529,826
At 31 October 2025		1,529,826
Depreciation		
At 1 November 2024		683,767
Charge for the year		40,129
At 31 October 2025		723,896
Net book value		
At 31 October 2025		805,930
At 31 October 2024		846,059

Canford Group Limited

Notes to the financial statements
Year ended 31 October 2025

12. Fixed asset investments

Company

Investments
in
subsidiary
companies
£

Cost and net book value

At 1 November 2024 and 31 October 2025

600,001

Subsidiary undertakings

The following were direct subsidiary undertakings of the company (unless otherwise stated):

The following were subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Canford Audio Limited	Manufacture and distribution of professional audio equipment	Ordinary	100%
Canford Manufacturing Limited	Property holding company	Ordinary	100%
Canford Audio SARL (indirect)	Sale and European distribution of professional audio equipment	Ordinary	100%

The address of the registered office of Canford Audio Limited and Canford Manufacturing Limited is the same as the address of the registered office of the company, given in the company information page of these financial statements.

The address of the registered office of Canford Audio SARL is 2 Rue de L'Expansion, 67150 Erstein, France.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

13. Stocks

	Group 2025 £	Group 2024 £
Raw materials	934,307	722,340
Work in progress	546,248	336,896
Finished goods	2,848,683	2,932,065
	4,329,238	3,991,301

Stocks are stated after provisions for impairment of £483,042 (2024: £478,154).

14. Debtors

	Group 2025 £	Group 2024 £
Trade debtors	2,038,831	1,730,327
Other debtors	181,015	41,156
Prepayments and accrued income	217,129	190,251
	2,436,975	1,961,734

Trade debtors are stated after provisions for bad debt of £10,048 (2024: £1,023)

There were no company debtors for 2025 or 2024.

15. Creditors: amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Bank loans (note 17)	114,973	110,653	-	-
Receivables financing	263,743	219,180	-	-
Trade creditors	2,353,177	1,657,046	-	-
Corporation tax	185,127	108,926	12,312	-
Other taxation and social security	162,180	231,282	-	-
Other creditors	709,847	406,888	-	-
Accruals and deferred income	403,735	317,584	-	-
	4,192,782	3,051,559	12,312	-

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

16. Creditors: amounts falling due after more than one year

	Group 2025 £	Group 2024 £
Bank loans (note 17)	393,138	508,111

17. Loans

Analysis of the maturity of loans is given below:

	Group 2025 £	Group 2024 £
Amounts falling due within one year		
Bank loans	114,973	110,653
Receivables financing	263,743	219,180
Amounts falling due 2-5 years		
Bank loans	393,138	486,259
Amounts falling due after more than 5 years		
Bank loans	-	21,852
	771,854	837,944

The bank loan of £1,100,000 was taken out in December 2019 and is repayable in monthly instalments over 10 years, bearing fixed interest at 3.69% and is secured by unlimited debenture from Canford Audio Limited and omnibus guarantee and set off agreement among the Bank, Canford Group Limited, Canford Audio Limited and Canford Manufacturing Limited.

The group has a receivables financing arrangement with Lloyds Bank repayable at a variable rate of interest.

18. Deferred taxation

Group

	2025 £	2024 £
At beginning of year	126,044	46,037
Charged to profit or loss	11,799	80,007
At end of year	137,843	126,044

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

18. Deferred taxation (continued)

Company

	2025 £	2024 £
At beginning of year	86,529	-
(Credited) / Charged to profit or loss	(4,637)	86,529
At end of year	81,892	86,529

The provision for deferred taxation is made up as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Accelerated capital allowances	137,843	126,044	81,892	86,529

19. Share capital

	2025 £	2024 £
Allotted, called up and fully paid		
61,595 (2024: 61,595) Ordinary shares of £1 each	61,595	61,595

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends or the repayment of capital.

20. Reserves

Profit and loss account

The profit and loss account represents cumulative profits and losses net of dividends and other adjustments. EOT contributions during the year were £586,577 (2024: £858,342).

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

21. Contingent liabilities

Canford Group Limited, Canford Audio Limited and Canford Manufacturing Limited have each entered into a cross guarantee agreement to secure the bank overdrafts of those companies. The total net surplus position of these companies as at 31 October 2025 amounted to £915,984 (2024: £316,064).

A bank loan with Lloyds bank is secured by unlimited debenture from Canford Audio Limited and omnibus guarantee and set off agreement among the Bank, Canford Group Limited, Canford Audio Limited and Canford Manufacturing Limited.

The group also has a guarantee for £30,000 (2024: £30,000) in favour of HM Revenue & Customs dated 4 September 2014.

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £161,439 (2024: £174,167). Contributions totalling £25,944 (2024: £29,055) were payable to the fund at the balance sheet date and are included in creditors.

23. Commitments under operating leases

At 31 October 2025 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2025 £	Group 2024 £
Not later than 1 year	20,117	20,573
Later than 1 year and not later than 5 years	32,905	34,984
	53,022	55,557

The company had no commitments under non-cancellable operating leases as at the balance sheet date.

24. Related party transactions

Group

Mr M Brindley is the proprietor of Paragon, to which sales made by the company totalled £3,578 (2024: £4,641) and purchases made by the company totalled £71,049 (2024: £80,977) during the course of the year for goods and services provided on normal commercial terms. At 31 October 2025, the amount owed by the company was £nil (2024: £1,844) and amounts owed to the company was £130 (2024: £nil).

Company

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the group.

Canford Group Limited

Notes to the financial statements Year ended 31 October 2025

25. Controlling party

Canford Group Limited is wholly owned by the Canford Employee Ownership Trust, for the benefit of all the group's employees. Canford Trustee Limited acts as the sole trustee for the Canford Employee Ownership Trust, of which the directors consider there to be no controlling party.